

Mideast Accord Holds Promise and Perils

Arab Nations Face Era of Turmoil As They Meet Demand for Change

By Caryle Murphy

CAIRO — The Israeli-Palestinian peace accord signed last week propelled the Middle East into a new era that holds out the promise of peace and prosperity, but not without some initial confusion and ferment, officials, diplomats and analysts in the region say.

Sealing their mutual recognition with a handshake on the White House lawn, Prime Minister

Naqib. "In a historic sense, it's like what happened in the Soviet Union in 1985" under Mikhail S. Gorbachev.

As in the former Soviet Union, the first aftershocks of the Middle East's breakthrough are most likely to bring turmoil and strife to the region, placing long-entrenched Arab rulers under stress. Arab states will have to find a new basis for inter-Arab cooperation and unity without the common struggle against the enemy, Israel.

If they fail, the centuries-old triangle of Arab rivalry grounded in Damascus, Cairo and Baghdad could gain new momentum. At the same time, an end to the state of war with Israel means that authoritarian Arab regimes must come up with a new explanation to their people for maintaining police regimes and restricting political freedoms.

The long-term outlook is brighter. If the Arab-Israeli breakthrough proceeds to successful conclusion over the next several years, its impact will be felt in almost every sphere of life, from telephone communications, to air travel, to banking laws, analysts predict. It will have profound repercussions on the politics.

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NEWS ANALYSIS

Yitzhak Rabin of Israel and the Palestine Liberation Organization chairman, Yasser Arafat, belatedly dragged the Middle East into the post-Cold War era.

The global change that has ended communism in Russia, given the United States its first baby-boomer president, upended Japan's governing party, ushered in open societies in Eastern Europe and spelled the end of apartheid in South Africa may now reshape the political and economic landscape of the Middle East.

"When they agreed to this, both Arafat and Rabin most certainly unleashed forces which they will have great difficulty in controlling," said a Kuwaiti international sociologist, Khalidoun

Foreign Ministers Act Coolly To Arafat's Defense of Pact

Washington Post Service

CAIRO — Yasser Arafat got a polite but cool reception from Arab foreign ministers here Sunday as he defended his decision to sign the Israeli-Palestinian accord last week, which he called the first step toward a more comprehensive peace.

"We are standing at the threshold of a new stage in our history," Mr. Arafat said. But the agreement "is only the basis for an interim solution and the forerunner to a final settlement, which must be based on complete withdrawal from all occupied Palestinian lands, especially Holy Jerusalem," he told 19 foreign

ministers at Arab League headquarters here. It was the Palestine Liberation Organization chairman's first meeting with senior Arab officials since disclosures of his secret negotiations with Israel that culminated in the peace agreement signed with Prime Minister Yitzhak Rabin of Israel in Washington.

"Overpolite" and "very cool" was how one Arab League official summed up the audience's response after Mr. Arafat's one-hour speech. The foreign ministers of Syria, Lebanon and Jordan, countries that have expressed dismay at

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Israeli soldiers standing by as demonstrators, protesting the Arab-Israeli peace agreement, moved by them in Gaza City on Sunday.

Voter Protest In Hamburg Knocks Down Main Parties

Far Right Makes Gains As Social Democrats Lose Longtime Majority

By Steven Kinzer

HAMBURG — In a dramatic demonstration of political discontent, voters in Hamburg turned their backs on all three mainstream political parties on Sunday and cast tens of thousands of ballots for parties that offer radical or untraditional programs.

The results suggested that Germans are in a volatile mood as they enter 1994, a "super election year" in which seven new state governments, as well as a new chancellor and parliament, are to be chosen.

Neither of the two far-right parties that presented candidates in Hamburg won the 5 percent of the vote necessary to propel a party into the state legislature. But one of the parties, the Republicans, led by a former member of the Waffen SS, won 4.7 percent. Another far-right party, the German People's Union, won 2.9 percent. Bitter feuding between the leaders of the parties prevented them from presenting a joint slate of candidates, which would almost certainly have attracted enough votes to win legislative seats.

Günter Verheugen, the manager of the Social Democratic Party, said, "I am deeply disturbed that so many right-wing votes were possible in a cosmopolitan port city like Hamburg." Mayor Henning Voscherau, a Social Democrat, appeared likely to retain his post, but his party, which has governed Hamburg almost without interruption since 1946, will have to form a coalition with another party. The Social Democrats won 40 percent of the vote, down from 48 percent in 1991.

Chancellor Helmut Kohl's Christian Democratic Union suffered even greater losses. It took just 25.4 percent of the vote, compared with 35 percent two years ago.

"This must alarm every democratic politician in Germany," Mr. Voscherau said.

Peter Hintze, the secretary-general of the Christian Democrats, called the results "the worst ever since the war" for both major parties.

The biggest winner in the election was the left-oriented Green Party, which won 13.4 percent of the vote, almost double its 1991 total and more than it has won in any election since it was founded two decades ago. Krista Sager, the leader of Hamburg's Greens, asserted during her campaign that the party had matured beyond its unruly, radical image.

"Now you can invite us into your homes," Miss Sager said before the voting. "We don't wear purple mesh stockings any more, and our hair doesn't look like exploding steel wool. We no longer live off shrill slogans."

The only other party whose followers were pleased with the results was the new Instead party. Its candidates refused to take positions on any issue and promised only that they would listen to and represent the interests of the people. Instead took 5.8 percent of the vote.

Among those most disappointed by the results were leaders of the centrist Free Democrats, who are part of Chancellor Kohl's coalition in Bonn. Long Germany's third-biggest

See HAMBURG, Page 2

Ex-Communists Rebound in Polish Vote

Compiled by Our Staff From Dispatches

WARSAW — Poland's former Communists took a strong lead in parliamentary elections Sunday, according to an exit poll that showed a big swing to the left in a rebuff for economic reforms four years after the end of Communist rule.

The exit poll, conducted by the television polling organization OBOP and the German research institute INFAS, said 18 percent of voters questioned reported that they voted for the Democratic Left Alliance, the successor to the Communist Party.

The Polish Peasants' Party, once allied with the Communists, was second with 14 percent. The centrist Democratic Union, which led the outgoing government, was third with 12 percent.

The first official results were not expected until Monday.

Despite the apparent outcome, there was no guarantee that the Democratic Left Alliance would be able to put together a governing coalition, although it would have the first chance as the leading vote-getter.

Economists say market reforms will continue, though perhaps more slowly, because they have probably gone too far to be reversed in the short term. They ruled out a return to old-style communism.

Some 35 parties and alliances vied for the 460 seats in parliament's lower house. However, only 15 were running nationwide and only 5 or 6 were expected to receive the votes required to gain seats.

Prime Minister Hanna Suchocka's govern-

ment, the fourth and most durable since Solidarity opposition movement ushered in democracy in 1989, has won wide international praise for helping make Poland into Eastern Europe's biggest economic success story. More than half the population now works in the private sector.

But the dismantling of the socialist state has caused painful dislocation, hitting farmers, the elderly and workers in failing state-owned industries the hardest.

"We are aware of the historic nature of this moment," said Alexander Kwasniewski, head of the Democratic Left Alliance.

The exit poll, reported by Polish television, was based on polling of 40,000 people in more than 1,000 voting stations.

The result appeared to signal a backlash

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Kiosk

Demjanjuk Is Free to Leave Israel

JERUSALEM (NYT) — The "Ivan the Terrible" case finally ended Sunday when an Israeli Supreme Court justice cleared the way for John Demjanjuk's immediate departure, rejecting appeals for a new war-crimes trial.

Mr. Demjanjuk, 73, is now free to leave Israel at any time. His attorney said family members in Cleveland planned to fly here and take him back to the United States. A federal appeals court in Ohio, where the

Ukrainian-born Mr. Demjanjuk settled after World War II, has begun an investigation into whether he was improperly stripped of his U.S. citizenship in 1981.

General News President Clinton and his senior advisers are launching a campaign to explain the administration's policy on foreign affairs. Page 3.

Business/Finance Time Warner is reorganizing its magazines in a cost-cutting move. Page 11.

Sports China gave assurances that it will take part in the 1996 Olympics in Atlanta. Page 15.

France Stokes The Fires of Trade Dispute

By Tom Buerkle

BRUSSELS — France repeated on Sunday hints that it would veto a farm agreement between the European Community and the United States, an accord that is considered vital to a worldwide trade deal.

"France notes that under any possible outcome, the Community cannot conclude a GATT agreement without a unanimous decision by the 12 member states," the prime minister's office said in a statement issued after a meeting of key French ministers.

The statement said it "is now clearly established" that the Blair House accord, named for the Washington building in which it was signed, "is incompatible" with the European Community's Common Agricultural Policy.

The French officials were meeting before an EC farm summit meeting on Monday. That session is unlikely to resolve the long-running trans-Atlantic standoff on agriculture because the dispute is the toughest kind of trade fight: a battle for shares of a stagnant market.

Thirty years of government largesse have turned Europe from a major food importer to the world's second-largest exporter, behind the United States. In grain, the biggest area of farm trade, Europe has taken about 17 percent of the world market, and the subsidies have been so successful in bolstering yields that EC farmers are fast approaching competitiveness with their U.S. counterparts.

Professor Michael Murphy of the department of land economics at Cambridge University said the farm dispute was "just about the narrowness of world markets and the poor prospects for farmers in the United States, Canada and Australia if Europe continues its march of technological progress."

The Blair House agreement between the Community and the United States would dash that prospect, however, by forcing Europe to cut its subsidized farm exports by about a third over six years. That explains why France, by far the largest EC farm exporter, is threatening to veto the pact even if it forces the collapse of the seven-year-old global trade talks known as the Uruguay Round. Those talks are being held

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FUNERAL IN MOGADISHU — A Somali sprinkling water Sunday on the grave of a woman killed by a mortar shell. Mourners blamed United Nations forces. In a U.S. search for followers of General Mohammed Farah Aidid, one Somali was reported killed.

Remarks on the Holocaust Entangle a Kohl Protégé

Compiled by Our Staff From Dispatches

BONN — Chancellor Helmut Kohl's candidate for president was sharply criticized on Sunday for saying that Germans should put their dark past behind them, but conservatives rallied to his support with the argument that West Germans must get used to East Germans addressing issues in their own way after being kept quiet for 40 years under Communist rule.

The candidate, Steffen Heitmann, has attracted a storm of criticism over remarks ranging from the Holocaust to European union.

Ignatz Bubis, head of the central council of Germany's small Jewish community, criticized Mr. Heitmann on Sunday by saying the candidate is saying what he thinks people want to hear, rather than setting a moral example.

Mr. Heitmann was reported by Süddeutsche Zeitung as saying that Germany's special role had ended with reunification three years ago and that it was time to put the Holocaust "in its proper place" in history.

Mr. Bubis, in an interview with Bild am Sonntag, said: "Contrary to what Heitmann has declared, the German postwar period did not end with unification. Just as before we must deal with the war and the postwar history and must not put it aside in the files."

"Heitmann's remarks are often ambiguous and aimed at giving right-wing extremists new arguments," he said, adding that he could not imagine Mr. Heitmann becoming president of all Germans.

Hermann Otto Solms, parliamentary leader of the liberal Free Democrats, the junior partner in Mr. Kohl's coalition, agreed. "The latest remarks make me doubt if he has really understood the people of our country and German history," Mr. Solms said, according to Bild am Sonntag.

But Michael Glos, a leader of the Christian Social Union, the Bavarian sister party of Mr. Kohl's Christian Democratic Union, said Mr. Heitmann's views marked a healthy break with liberal trends in Germany. "All criticism against Heitmann is incomprehensible and unfair," Mr. Glos was reported as saying by the Welt am Sonntag.

Kurt Biedenkopf, the Christian Democratic premier of the eastern state of Saxony, where Mr. Heitmann is justice minister, said West Germans must get used to a different approach to issues by East Germans.

"The controversy over him is characteristic of West Germany, not of Heitmann," Mr. Biedenkopf said. "He is a man who uses the language in a straightforward way and speaks his mind."

It was the fourth dispute over the little-known East German's views since Mr. Kohl named him as his favorite to replace President Richard von Weizsäcker in May.

Mr. Heitmann is also under fire for making remarks perceived as strongly critical of the

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The Clinton Health-Care Plan: First You'll See It, Then You Won't

By David S. Broder and Spencer Rich

WASHINGTON — When President Bill Clinton formally unveils his health-care plan in a broadcast speech on Wednesday night, he will present it as a way to provide huge savings in runaway medical costs in the United States. The gift card will guarantee every American lifetime access to good doctors and hospitals. But it will be a long time — if ever — before that package is seen again. It will be chopped up and sent down almost a

dozen congressional tracks, each strewn with hazards. The path to a White House bill-signing ceremony has been mined by competing caucuses of House and Senate members and by interest groups that will swarm over Capitol Hill.

Two dozen major players in the White House and the cabinet, in Congress and lobbyist groups, agreed in interviews on a few key points. They agree that the possibility of substantive legislation was greater than it had been in a generation, but that the risks were very high of the Clinton plan's being wrecked by dis-

agreements over its finances, structure and basic philosophy.

The law that emerges — if there is one — could bear slight resemblance to the original Clinton design.

"We have to be humble about a process like this," said Donna E. Shalala, secretary of health and human services. "I refuse to apologize if we learn something from a public dialogue with Congress and the people that causes us to change things."

That has been stressed by Hillary Rodham

Clinton, the head of the president's health-care task force, and her top lieutenant, Ira Magaziner, in meetings with Congress and lobbying groups last week.

Congressional leaders are equally realistic about the prospects.

"You're not going to pass this with 380 votes in the House," said Richard A. Gephardt, a Missouri Democrat and the majority leader. "If we're lucky we'll get 250, barely 30 more than the minimum."

George J. Mitchell, Democrat of Maine, the Senate majority leader, said solid Republican

opposition could sustain a death-dealing filibuster.

"We cannot pass a bill without Republican support," he said. "That's a fact. That is a powerful incentive to be open and cooperative."

Opponents of the measure — conservative Republicans in the House and Senate and lobbies for insurance companies, for small businesses and for significant parts of the pharmaceutical industry — are mounting campaigns to defeat the Clinton plan. But important ele-

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سكوا من الأصل

Q & A: William Kennedy and His Universal City

The American novelist William Kennedy, Pulitzer Prize-winning author of "Ironweed," "Billy Phelan's Greatest Game," "Legs," and most recently "Very Old Bones," was made a commander of the Order of Arts and Letters by the French government last week. He spoke in Paris with Amy Hollowell of the International Herald Tribune.

Q. "Very Old Bones" has just been published in Europe. Your work is so much about Albany, New York. What is the appeal for Europeans?
A. They seem to take to it. I've had about seven or eight interviews this week. Some of the interviewers have read every book, and they want to know all about Albany. But they're very often sophisticated readers who are interested in writing styles and who take Albany the way I like it to be taken. You don't have to live there to understand it. It's a universal city for me.
Q. Are you working on another novel?
A. Yes, I'm on page 12. I've been working on it since 1977. But it wasn't cooked until about three weeks or a month ago, and I finally got it started. I've got the whole thing pretty much worked out in my

head, but I couldn't start until there was nothing else to work out. Then I wrote a sentence. And it started.

Q. Is it about the Phelan family, like the other novels?
A. No, it's about the people next door. It's the Daugherty family. If you've read "Billy Phelan," the new novel is in there. It's about Edward Daugherty, who's a playwright who gets messed up in a love-scandal in 1908 and then writes a play about it.

Q. How do you work? Do you write long hand or use a computer?
A. I went to the computer in 1990.

Q. Why do you tend to write more about the earlier part of the century than about the '90s?

A. It's not real to me yet, the '90s. What I like to have is the congealed time, the lull of history. It's something that I can look at and see in the round, and know from beginning to end what has happened. That's comforting.

I have these characters who mean so much to me and stand for so much to me now. I was colored by my own childhood in the '30s and '40s. It seems like a more fascinating time to me. Just because it's over and done with, it means something to

me in my memory and that's important to the imagination, I suppose.

Q. Fiction for me has to come up from nowhere. I invent everything.

Q. Whom do you admire among American writers today?
A. Cormac McCarthy, Don DeLillo, Richard Ford, I always read Tompkins. I like very much. She gives you a full feeling about whatever it is she's writing.

I was very fond of Ray Carver's writing. I'm sorry he died. He was getting better and better. His last story is a masterpiece — "The Errand" — it's about the death of Chekhov, who died much the way Ray did, of lung disease.

Q. Are there any old-fashioned editors around anymore? It seems to be marketing people who run publishing these days.

A. The problem I hear all the time from all editors is that there is a cutting away of money for new literary fiction. There has always been room for "The Bridges of Madison County" or John Grisham — big money for those — but you write a serious novel about a family and there's going to be trouble.
 It used to be that editors would take a

chance on young writers. I think there are probably still some editors out there looking for those Jay McInerches of tomorrow, that first novel that's going to take off.

Q. Do you identify with Francis Phelan? (Phelan, a down-and-out, philosophical drunkard, is the central character in "Ironweed.")

A. I was never a bum, so far as anybody knows. I played baseball as a kid and I had an uncle who was a big leaguer. I used my uncle's career in some way, but my uncle was a tentmaker, he lived home and never left really except to go play baseball. Then he died working for city hall. I suppose some of Francis's ideas are an extension of my own ideas, it's always the way. But that's more life observed and imagined than transcribed. It's not my life. I know what it means to wake up with a hangover. I never slept in the woods. I've seen guys get up out of the woods after sleeping there.

Q. What advice would you give yourself if you were to go back and learn writing again?

A. I would try to find a way to have my work get into the hands of a serious writer who would be able to criticize it. That's what these workshops do.

WORLD BRIEFS

Bosnians Flout Truce As Envoys Draft Pact

SARAJEVO — Bosnian Muslims and Croats battled for a strategic central Bosnian valley and the city of Mostar on Sunday, flouting a truce agreed to by their political leaders.

The fighting in the Lasva Valley and elsewhere jeopardized diplomatic efforts to end the 17-month war.

Croatian radio reported 9 people killed and more than 30 wounded in a Muslim artillery barrage on Vitez on Sunday and three civilians killed in the nearby village of Pobos.

In Zagreb, negotiators pushed ahead in their efforts to work out a Bosnian peace agreement in time for a possible signing in Sarajevo on Tuesday.

"They will be working today trying to breach the gap," John Mills, a spokesman for the mediators Lord Owen and Thorvald Stoltenberg, said from the Croatian port of Split.

Bosnia's president, Alija Izetbegovic, a Muslim, said he doubted that a peace accord could be signed at the planned meeting of Muslim, Croatian and Serbian leaders.

"I personally don't see it and I told Owen that," Mr. Izetbegovic said on Bosnian radio Saturday.

Lord Owen, after meeting President Franjo Tudjman of Croatia and the Bosnian Croat leader, Mate Boban, said an agreement was "astonishingly close," but it was still not certain that the proposed Sarajevo meeting would be held.

The hurdle is a Muslim demand for an additional 4 percent of territory to the 30 percent assigned to them, and access to the sea. Serbs, who would get 52 percent, and Croats, 18 percent, have refused to yield more ground.

Prospects for a settlement slipped further after British UN forces said Muslim troops inflicted heavy casualties in an attack against Croatian positions along a 32-kilometer (20-mile) stretch of the Lasva Valley on Saturday.

That fighting was in violation of a midway truce agreed to last week by political leaders of the two factions. Their military chiefs had pledged to uphold the truce.

Croatian radio said all Croat Defense positions between Vitez and Novi Travnik in central Bosnia were under constant attack.

Muslims and Croats were reportedly exchanging artillery, heavy machine-gun and small-arms fire on the highway connecting Vitez and Busovaca, where the Croatian forces have their headquarters.

The radio controlled by Bosnian Muslims confirmed the fighting in the area, saying Muslim forces were on a counteroffensive in Vitez, Novi Travnik and Busovaca.

UN Protection Force officers, who earlier claimed that the ceasefire appeared to be consolidating, confirmed fighting north and south of Vitez, Jablanica and Fojnica.

Sarajevo radio said Sunday that Mostar was burning yesterday with at least 15 killed and over 40 wounded.

27 Arrested in London Street Fights

LONDON (Reuters) — The police said Sunday that they had arrested 27 people during street battles between opponents and supporters of a British racist elected last week to a local council.

Dozens of supporters of the far-right British National Party, some of them with shaved heads, fought with hundreds of protesters bearing placards of the Anti-Nazi League. The fighting centered on Brick Lane, where the league had called a demonstration to protest the election.

Thursday of Derek Beackon in the Millwall area of East London.

Mr. Beackon's victory was the first for a racist party in Britain since 1976 and was attacked by all mainstream parties. Racial tension has risen in the area, still seething over the beating of a 17-year-old Bangladeshi by a gang of nine whites last week.

Cambodian Crown Awaits Sihanouk

PHNOM PENH (Reuters) — The Cambodian parliament adopted a new democratic constitution on Sunday, paving the way for Prince Norodom Sihanouk to return this week and reclaim the throne he vacated in favor of his father in 1955.

A government spokesman said the legislature had ended four days of debate on the charter, providing a fresh political basis for Cambodia after decades of violent power struggles. Prince Sihanouk is expected to return from Beijing on Thursday and to sign the constitution on Friday.

"The debate is finished," an aide to Co-President Hun Sen said. His fellow co-president, Prince Norodom Ranariddh, who is Prince Sihanouk's son, said, "There will be no changes to the constitution — the constitution is adopted."

Cuba Aids U.S. Agents in Drug Case

WASHINGTON (LAT) — In a step that may signal a significant change in U.S. relations with the government of Fidel Castro, American drug agents flew to Cuba and took custody of two suspected cocaine smugglers who had been held for more than a month by Cuban authorities. The two suspects, both U.S. residents, were flown to Miami to face drug charges.

The operation on Saturday represented the first time the United States and Cuba have cooperated openly in such a case, suggesting that the Clinton administration may be ready to widen its contacts with the Castro government, a Washington expert on U.S.-Cuban relations said.

The suspects were identified by Cuban authorities as Jorge Roberto Lam Rojas, 33, and Jose Angel Clemente Alvarez, 31, according to Jim Shedd, a spokesman for the Drug Enforcement Administration in Miami. They were to appear before a federal magistrate Monday on charges of smuggling 720 pounds (325 kilograms) of cocaine aboard their speedboat.

Foes Agree to Abkhazia Withdrawal

MOSCOW (Reuters) — Georgian and Abkhazian representatives signed an agreement on Sunday to withdraw their forces from the war zone in Abkhazia, the Russian press agency Interfax said.

The warring sides signed an agreement on the simultaneous withdrawal of troops and hardware from the conflict zone and on pulling out armed formations within 24 hours, the agency said. It said the agreement was reached at three-way talks in the Black Sea resort of Sochi, attended by representatives of Russia, Georgia and Abkhazia.

A July 28 peace deal between the warring sides broke down last Thursday when Abkhazian separatists launched a major offensive against Georgian government forces.

TRAVEL UPDATE

Muslim militants fired at a Nile cruise boat carrying 22 French tourists at Asyut in Upper Egypt but missed it, security sources said Sunday. They said the boat was about 375 kilometers (233 miles) south of Cairo, when gunmen opened fire from the west bank. It was the second attack on a tourist boat in Upper Egypt in less than a week.

The Eastern & Oriental Express, the Asian version of the luxury Orient Express, began its inaugural run in Singapore on Sunday. The train will run weekly from Singapore to Bangkok, covering the one-way trip of 1,943 kilometers (1,200 miles) in two nights and one full day. Prices begin at about \$1,000.

In-flight telephones will be available on British Airways domestic routes starting in February, the airline announced Sunday. The phones will be fitted in arm rests and activated by credit cards.

Nearly half of Italy's passenger trains were halted Sunday by a wildcat strike of locomotive engineers over layoffs and other grievances. Officials said most long-distance services were normal. The strike began Saturday and was expected to end Monday.

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

- TUESDAY: Armenia, Belize.
- WEDNESDAY: Bhutan, Mali.
- THURSDAY: Japan.
- FRIDAY: Bolivia, Dominican Republic.
- SATURDAY: Israel, Mozambique, Rwanda.

Source: J.P. Morgan, Reuters.



OUT OF THE HOSPITAL — Mother Teresa, 83, praying at Calcutta's B.M. Birla Heart Research Center after being released Sunday following heart angioplasty. She was told to rest.

HEALTH: Plan Will Be Sculpted

Continued from Page 1
 members of big business share the view of organized labor, retiree and consumer organizations that the health-care system needs a major overhaul, and they are signaling their readiness to negotiate.

Hospitals and physicians, whose adamant opposition defeated attempts by five previous Democratic presidents to create a system of universal health care, are anything but united in their determination to defeat this bill.

The altered lobby lineup — as well as the readiness of Senator Bob Dole of Kansas, the Senate minority leader, to line up Republican support for a measure that incorporates some of the main elements of the bill — gives hope to administration supporters.

Senator Edward M. Kennedy, Democrat of Massachusetts, who has been in this fight for 30 years, said, "We've never had a better opportunity to achieve our goals."

After the presidential address to a joint session of Congress on Wednesday and appearances on Sept. 28 and 29 by Mrs. Clinton before congressional committees, months of hard slogging lie ahead.

The administration has promised draft legislation within two to three weeks. At least three committees in the House — Ways and Means, Energy and Commerce, and Education and Labor — will have major pieces of the proposal. In the Senate, most of the action will be centered in the Finance Committee and the Labor and Human Resources Committee.

Committee hearings will continue for months. Mr. Kennedy has set the most ambitious timetable for his Labor and Human Resources Committee, telling members he will schedule two hearings a week in Washington and one in each of their home states for about six weeks, then move to markup before the Christmas break. If Congress adjourns in mid-November, he says, he may call the committee back for three or four days of intensive work to finish their section in time for consideration at the start of 1994.

More typical, and some would say, more realistic, is the schedule envisioned by John D. Dingell, Democrat of Michigan, the chairman of the House Energy and Commerce Committee. He said that hearings would go on for the rest of this year, that bills would be reported next spring and that floor votes on separate measures and the final conference report would end next fall.

House Democrats are divided over the best approach to health care, and most House Republicans appear disposed to shoot down almost anything Mr. Clinton offers or to suggest a set of reforms in insurance practices and medical liability rules that offer little ground for compromise with major Democratic opponents. The White House and most key congressional Democrats see no more than 30 or 40 Republican votes for the final measure.

In the Senate, the prospects for a bipartisan package are brighter.

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Bosnia Prospect: Peace Could Test Clinton Resolve

By R. W. Apple Jr.
 New York Times Service

WASHINGTON — With a settlement of the war in Bosnia perhaps closer, President Bill Clinton may be forced in coming weeks to confront the prospect of sending a large contingent of American troops to the Balkans as part of an international peacekeeping force.

Despite reports last week from Geneva that an agreement was near between the Muslim-led Bosnian government and its Serbian foes, almost all the details remain to be worked out if talks resume on Tuesday in Sarajevo as planned. Lord Owen, the European Community mediator, cautioned Saturday that the date was not firm, but said an accord seemed "unavoidably close."

The promise of peace at last could well prove illusory, as it has on so many occasions over the last two years. But if it does not, Mr. Clinton is committed — "absolutely, firmly committed," in the words of a top State Department official — to send a force of about 25,000 soldiers and Marines, the equivalent of a reinforced division, to help keep what could be a very uneasy peace between the country's three warring ethnic factions. It would be a grave and perilous step.

Or is he? In the light of Mr. Clinton's past record on the issue, which has been marked by many starts and stops, some remain dubious about his commitment. Among them is one of the closest students of Bosnian policy outside the government, a former State De-

partment official, who said, "I'm skeptical he'll actually do it."

Political aides to the president, as opposed to foreign-policy advisers, also question whether Mr. Clinton has entirely settled the matter.

"It's one thing to say, as he has, that if there is a peace settlement, we will send troops under certain conditions," one aide said. "It's another to be faced with an actual settlement and to sign the orders."

Another, higher-ranking White House aide put it this way: "My sense is that this

issue may be facing us square in the face as early as Tuesday. There's no doubt that there is a theoretical level of commitment around here. But to do this on the eve of the health-care debate, while we are trying to push NAFTA through — with the Middle East a major new priority, when we're so short of money — you can be sure lots of people are going to say, 'Wait a minute.'"

American diplomats and their foreign colleagues argue that a failure by Mr. Clinton to follow through on his pledges would not only constitute a violation of a moral obligation but badly damage American credibility abroad. For that reason if no other, they say, Mr. Clinton will summon the will to send American troops, however risky he and others may consider such a step.

The president has not even begun to develop a national consensus behind U.S. involve-

ment in Bosnia-Herzegovina. Indeed, he has never clearly said what national interest he believes is at stake. Partly as a result, opinion polls show a striking lack of public engagement with the issue of Bosnia.

Arguing the case will not be easy. This is no proxy war, with a Soviet Union backing one side and the United States the other. No major ally is threatened. No precious resource is at stake, like the oil in the Gulf War. What is at stake is something less tangible, a moral issue, the right of national survival and self-determination.

A considerable amount of maneuvering, probably at least a month's worth, would be required after the signing of an agreement and before the actual dispatch of troops, and that would give Mr. Clinton further time to rally public support.

Any tendency toward caution is likely to be strengthened by several other elements, in addition to the administration's extremely full plate. The administration is already under fire in Congress and elsewhere, for its commitment of U.S. troops to Somalia, where their role has never been clearly defined and where no exit date is in sight. Mr. Clinton is also eager to keep Washington's and the country's attention focused on domestic issues.

Moreover, General John M. Shalikashvili, the next chairman of the Joint Chiefs of Staff, has expressed doubts about U.S. military involvement in the Balkans.

In recent weeks, Mr. Clinton has publicly stated a number of conditions for American

participation in the proposed 50,000-man peacekeeping force, conditions that those around him insist he had always privately harbored.

The United States would take part, he has said, only in a fair, workable, and enforceable settlement, although he has never spelled out precisely what that rather vague formula might mean. He has said command of the force would have to rest with NATO, in which the United States has a decisive influence, and not with the United Nations, in which it does not. He has said Congress would have to give its formal approval.

In an interview with The Washington Post last week, he sounded a new note of caution, suggesting that he would make only a "closed-end commitment." He said: "I think there ought to be a limit as to how long we or anyone else would be there before someone else comes forward."

If the Bosnian Muslims, the Croats, and the Serbs all sign an agreement, the State Department official said, the United States will first look at developments in Bosnia for signs that they are serious before proceeding further. "Does the shelling stop?" he asked. "Are there significant troop withdrawals? Can the convoys get through easily? Are there signs of good faith?"

Meanwhile, said the official, the United States and France would have to complete conversations that they have been holding for several months about the structure of the peacekeeping force. France is not a part of the NATO military structure.

HAMBURG: A Sharp Rebuff to Mainstream Parties

Continued from Page 1

party and accustomed to holding the balance of power, the Free Democrats won only 4 percent of the vote and thus will have no seats in the legislature. The chairman of

the Free Democrats in Hamburg, Robert Vogel, announced that he would quit his post as a result of the poor showing.

Televized projections showed that the new state legislature would have 58 Social Democrats, 36 Christian Democrats, 19 Greens and 8 members of the Independent.

Several thousand leftist demonstrators converged on the City Hall as the polls closed. Police had feared violence if far-right parties won seats in the legislature, but after it became clear that they had failed to reach that goal, the demonstrators dispersed.

The elections were held two years early. A constitutional court ruled in May that the 1991 election

was not valid because the Christian Democrats had selected their candidates illegally.

Hamburg is a federal state as well as a city, and the mayor is also governor. It is the third smallest of Germany's 16 states, but the city is the second largest after Berlin and the richest city in Germany.

The Christian Democrat dissident who filed the suit that led to that decision, Markus Wegner, quit the party and founded the Instead party.

Nineteen parties and 40 voter groups competed in the election, far more than ever before. Their presence, as well as the votes given to marginal parties, reflected the restlessness of German voters.

GERMANY: Protégé Is Assailed

Continued from Page 1

European Community's Treaty on European Union, to which Mr. Kohl is deeply committed.

He has also been criticized for suggesting that Germany might become swamped by foreigners and by arguing that women should stay at home rather than pursue a career.

In the Süddeutsche Zeitung, Mr. Heilmann said the killing of six million Jews by the Nazis was a unique episode that history would not repeat itself and that Germany must not have a special role "until the end of times."

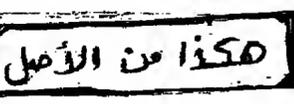
"The time has come — now that the postwar period is finally over after German unification — to put

this event in its proper place," he was quoted as saying.

The Free Democratic Party favors the retired foreign minister, Hans-Dietrich Genscher, for president, although he has refused to run. The Social Democrats are pushing for Johannes Rau, the popular Social Democratic premier of North Rhine-Westphalia state.

The president is elected by a special assembly of parliamentarians and state legislators.

An opinion poll published by Bild am Sonntag suggested that 54 percent of voters wanted Mr. Rau as president. Only 17 percent were for Mr. Heilmann. He enjoyed greater support in East Germany than in the West. (Reuters, APF)



INTERNATIONAL **Herald Tribune**

Published With The New York Times and The Washington Post

Decision Time for France

France is being asked this Monday to decide whether it really means to continue its retreat from the world, from the hope of a modern Europe, and from most people's picture of what France stands for.

Who Helped Arm Saddam?

Will the Clinton Justice Department mount a serious investigation into the illegal arming of Iraq during the Bush administration? Federal prosecutors cannot seem to find anyone to blame but a lowly bank manager in Atlanta, who was allowed to plead guilty to three minor charges.

A Larger American Shame

The death of Gary Colley, an English tourist in America, made front pages from coast to coast, and it deserves to be a horrible thing. Shot by thieves at a highway rest stop, he was the ninth foreign tourist to be murdered in Florida in the past year, in what has become a maddening, recurrent practice.

Other Comment

Turned Off by Britain's Pops

A Gallup Poll published [last week] showed that [British] voters believe their political leaders to be dishonest, less predictable in what they say, and lacking in all humility. Almost two-thirds of respondents said they had "almost never" heard politicians admitting a mistake, confessing ignorance or praising a rival from a different party.

Pessimism on the Mideast Has Taken a Hard Knock

By Thomas L. Friedman

WASHINGTON — For years I have explained the longevity of the Arab-Israeli conflict with a joke about a very religious Jew named Goldberg who wanted to win the lottery. He would go to synagogue every Sabbath and pray, "God, I have been such a pious man all my life. What would be so bad if I won the lottery?" And the lottery would come, and Goldberg would not win.

They are tired of checking every stray wooden crate left at the grocery store each night to make sure no bombs are concealed there, tired of reserve army duty until age 55.

—buy a ticket. It seemed that the past would always bury the future. I did not come by pessimism naturally. I was from Minnesota, where America's innate optimism seems most acute. But Beirut and Jerusalem leached away my naive optimism.

China: A Regime That Tortures Doesn't Deserve the Olympics

By Robert L. Bernstein

NEW YORK — The Chinese authorities are trying so hard to induce the International Olympic Committee to select Beijing for the Summer Olympics in the year 2000 that they have promised to inscribe the names of the committee members on a monument on the Great Wall.

Somalia: Get American Commanders and Troops Out of There

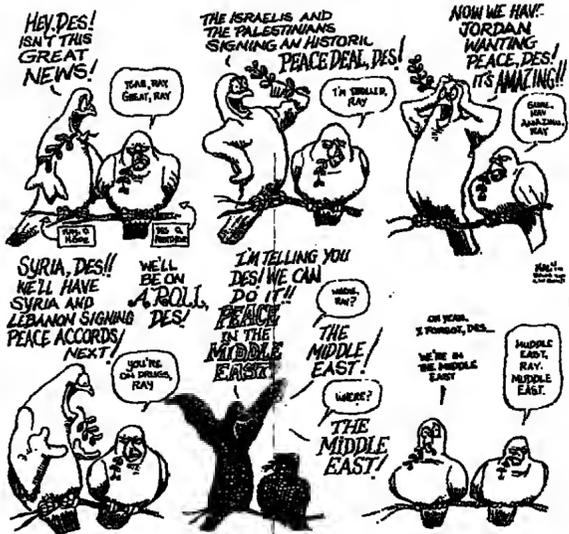
By William Pfaff

PARIS — The situation in Somalia is grotesque. The policy of the United Nations — which means that of the United States, effectively in charge of the Somalia intervention — has failed, at murderous cost to UN and U.S. troops as well as to the Somalis.

Murderous Bottom Lines

By Richard Cohen

WASHINGTON — In a video game called "Mortal Combat," the winner of a fight rips out his victim's heart and decapitates him. The head is held triumphantly, the spinal cord dangling. The game has been promoted by a \$10 million advertising campaign.



Secretary of State James Baker to Jerusalem. Aaron and I got into a huge argument at the King David Hotel pool about the value of American diplomacy between Arabs and Jews.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Operatic Bedlam

PARIS — At the Opera during the performance of "Walkyrie" on Monday (Sept. 18) evening, M. Paul Viardot was conducting the orchestra for the first time in that work.

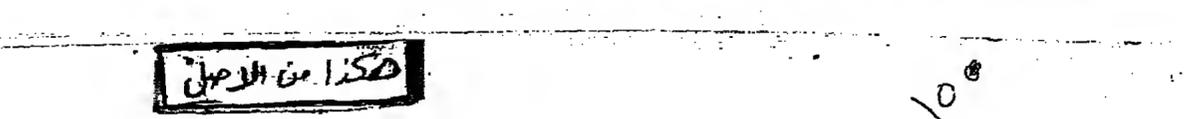
1943: A MacArthur Plug

ALLIED HEADQUARTERS IN THE SOUTH PACIFIC (From our New York edition.) Senator Albert B. Chandler, Democrat, of Kentucky, urged today (Sept. 18) appointment of General Douglas MacArthur as supreme Allied commander in the Pacific and Asia.

1918: Field Kitchens

PARIS — The Knights of Columbus' rolling field kitchens are popular among the Yankee fighters. Operated by a crew of four or five men, the kitchens are equipped to provide hot chocolate and crackers for the men at the front. Each crew also carries

International Herald Tribune advertisement listing staff members: KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER, RICHARD McCLEAN, JOHN VINOCCUR, WALTER WELLS, SAMUEL ABT, KATHERINE KNORR, CHARLES MITCHELMORE, DEBRA PETERSON, CARL GEWIRTZ, ROBERT J. DONAHUE, JONATHAN GAGE, RENÉ BONDY, RICHARD H. MORGAN, JUANITA I. CASPARI, ROBERT FARRÉ.



U.S.-Japan Anti-Missile Plan Is on Drawing Board

By David E. Sanger
New York Times Service

TOKYO — Japanese officials say they expect a detailed proposal from the United States this week on the joint development of a new anti-missile system for Japan to deter short-range attacks.

The notion springs from concern about North Korea's recent tests of a new generation of missiles that could strike Japan.

Preliminary talks about combining technological talents to build the system, which would be a major expansion of the military relationship between the two countries, were held last week in Honolulu. The Japanese expect a fuller U.S. proposal this week, during a visit to Tokyo by John M. Deutch, the Pentagon's undersecretary for acquisition and technology.

American and Japanese officials say the new system may include major improvements on an existing anti-missile system, like the Patriot, combined with some kind of satellite detection system that would warn of an attack.

Japan's only missile defense is a first-generation Patriot system. More advanced versions of the Patriot, the kind used with mixed success against Iraqi attacks in the Gulf War, are not scheduled for deployment until around 1995. Most experts say it would not be very effective against the newly de-

veloped North Korean missile, the Rodong 1.

The plan could mean some very tough decisions for the coalition government headed by Prime Minister Morihiro Hosokawa. The largest party in the coalition, the Socialists, have customarily opposed any expansion of the powers of the Japanese military and have never recognized Japan's 33-year security pact with the United States.

Military experts in Japan say that an advanced missile defense

system could raise additional political problems. The Japanese government has always shied away from using any kind of satellite detection system, which it has rejected as a violation of its self-imposed ban on using space for military purposes. The country has no spy satellites of its own; it relies almost entirely on the United States for satellite intelligence.

In Washington, a senior Defense Department official said Mr. Deutch would try to lay the groundwork for an agreement by which Japan would develop its own anti-missile defense, known as a

theater missile defense system, with U.S. assistance. Similar aid has been extended in the past to North Atlantic Treaty Organization allies.

"We would enter a cost-sharing agreement with them, but the point is that they couldn't do this themselves," the official said. "This is potentially a very different approach to our security relationship with Japan."

But the Japanese have many reservations about the system, and

There will be a lot of opposition, and of course the coalition is very fragile. But of course, there is also great uneasiness on everyone's part about what the North Koreans are building."

Missile defenses took on new urgency for Japan at the end of May, when North Korea first tested the Rodong 1, a missile it has been developing for years and reportedly is preparing to export to Iran.

The test took place along the Sea of Japan, with the missile apparently aimed at a buoy off Noto Peninsula, which juts into the sea on Japan's northwestern coast. American officials say that they have not been able to determine how well the missile performed, but that it flew about 300 miles (500 kilometers), or half the distance it is thought to be designed to cover.

Officials of the Central Intelligence Agency have said in congressional testimony that the agency believes the missile could be fitted with nuclear warheads if North Korea's nuclear program ever bears fruit.

The Sea of Japan test has become almost an obsession for some Japanese officials, who described it as a direct threat. But other Japanese and American officials say the Communist government of North Korea intends to sell the missile rather than use it. In the end, they argue, hard currency is worth far

more to the nearly bankrupt government than offensive power.

Others argue that the missile, if produced, would give the North Koreans another card in their standoff with the West, creating a way for the North to threaten that any conflict on the Korean Peninsula could spill over elsewhere.

While several options are being discussed, a new missile defense system for Japan would probably involve considerable new technology, linking the system to one or more satellites. Japan studied similar systems in the Pacific in the 1980s, as an adjunct to the Strategic Defense Initiative. This system, in contrast, would be far smaller.

"It would still be very expensive," an American official said, "and the presumption is that Japan would pay for much of it."

North Korea's recent tests of a new generation of missiles that could strike Japan has generated concern.

some suggest that Washington has been pushing the idea far harder than Tokyo. Recently, Shigeru Hatakeyama, the vice minister of Japan's Defense Agency, was quoted in Japanese newspapers as saying that a jointly developed missile plan might run afoul of Japan's restrictions on collective security efforts, even with longtime allies like the United States.

Masashi Nishihara, the head of research at the National Institute for Defense Studies, said: "There is obviously great interest in defense circles about this, but Mr. Hosokawa has to be very careful.

located at the top of a promontory, Cui had, in the early '80s, an infirmary, a school, dormitories, lodges, bathrooms and a beautiful chapel with a high ceiling and an inverted tree root for an altar. From its edge the jungle could be contemplated in all its splendor.

The scenery fit perfectly with its inhabitants. The gentle Ashaninka lived from and with nature. Amid these wonders, Gagnon set for himself three main goals: to prepare the Ashaninka, through education, for the inevitable changes brought about by civilization; to sensitize the outside world to their fragile existence; and, most of all, "to be with them."

However, the dramatic turn of events that shaped Peru's recent history would crush Gagnon's expectations.

Around the same time Gagnon got to Cui, a small group of students at the University of Ayacucho in the Andean mountains of Peru, led by Abimael Guzman, a philosophy professor, started a radical movement that acquired characteristics of insurgency in the 1980s.

The movement, known as Sendero Luminoso (Shining Path), launched its armed struggle in 1980, spreading its brutal guerrilla warfare among Andean communities, terrorizing the coastal cities. By 1984 guerrilla columns reached the eastern slopes of the Andes and the jungle towns along the edges of the rain forest. The rebels converged in the area with a booming drug business that would make Peru the largest producer of coca leaves and semi-processed cocaine in the world.

Opened for colonization in the early '60s, the jungle welcomed an increasing number of settlers in the '70s but the lack of government support made them resort to coca as the ideal cash crop. Coca growers became pawns in the drug war launched by the United States, and the counterinsurgency efforts of the Peruvian military. Oblivious to all this, and in everybody's way, lay Cui and its stubborn and courageous priest.

Cui was strategically located, as a key post for the drug trade and a vital escape route for the guerrillas. Aware of this, and trying his best to remain neutral, Gagnon was forced to inform for the government in order to protect the Ashaninka. Caught amid political intrigues and indecisive military operations, Gagnon stood against both traffickers and guerrillas only to see his mission burned to ashes in 1984 and then again in 1989 after he had rebuilt it.

To lead Ashaninka families to a safe haven, Gagnon crossed rivers and canyons, and flew over the Andes in precarious planes. Confronting the church, the government and an obstructive American Embassy, he refused to abandon "his people."

"Warriors in Eden" is the frank, even blunt, testimony of a priest who is obviously a rebel. A priest who has lost his faith in God, but distrusts his superiors' judgment and the government's authority. Written in the first person with the help of William and Marilyn Hoffer, the book nonetheless leaves the reader without an in-depth perspective on Gagnon's personal conflict and his inner thoughts. Still, the book creates an involving atmosphere that introduces the reader to the Ashaninka and their world, as well as to the politics that threatens their very existence.

José E. Gonzales is a Peruvian journalist living in New York City.

Willie Mosconi, Billiards Great, Dies

New York Times Service

NEW YORK — Willie Mosconi, acknowledged as one of the greatest pocket billiards players in the history of the sport, died Thursday of a heart attack at his home in Haddon Heights, New Jersey. He was 80 years old.

"For hustlers like Minnesota Fats, billiards was just for fun," said Stanley Cohen, who, with Mr. Mosconi, wrote "Willie's Game" (McMillan), an autobiography published last March. "But for Willie Mosconi, billiards was strictly a business."

Mr. Mosconi, whose name is synonymous with billiards in the way that Babe Ruth's is synonymous with baseball, won the world pocket billiards championship 13 times in 15 years from 1941 through 1956, the year he retired from the professional circuit.

"There will never be another one like him," said his wife, Flora. "He reminded me of a ballet dancer going around the table. He was so quick, so smooth. He did everything so effortlessly. No one was more graceful or had more finesse."

His most heralded records include a high run of 526 straight balls in exhibition play, set in

Springfield, Illinois, in 1954; a high grand average of 18.34 in a world tournament in Chicago in 1950, and a best game in which he sank 150 balls in a row in one inning (a perfect game) against a disbelieving Jimmy Moore in Kingston, North Carolina, in 1956.

His efforts to disassociate billiards from the images of smoky basements, bars and parlors crawling with drunks and hustlers was the reason for his feuds over the years with his chief nemesis, Minnesota Fats, a quick-witted, flashy hustler whose real name is Rudolf Wanderone and who always taunted Mr. Mosconi but continually turned down invitations to compete against him.

"My husband hated Minnesota Fats because he felt that he was always hurting the image of the game instead of helping it," said Flora Mosconi. "Willie thought so highly of the game that he never referred to it as 'pool.' He insisted on calling it billiards."

Lillian de la Torre, 91, Specialized in Mysteries

NEW YORK (NYT) — Lillian de la Torre, 91, an author who specialized in historical

mysteries both fictional and non-fictional, died Monday at a nursing home in Colorado Springs, Colorado, where she lived.

Her pen name was Lillian de la Torre, a part of her maiden name. Miss de la Torre, a former president of the Mystery Writers of America, was still working on manuscripts at her death.

Her first book, "Elizabeth Is Missing, or Truth Triumphant" (Knopf, 1945), rebutted 12 theories on the disappearance of a maid servant near the Tower of London in 1753, then offered Miss de la Torre's own answer.

A book review in The New York Times said she had combined "the scholarly patience of a candidate for a Ph.D." with "the ingenuity of a Nero Wolfe." Joseph Wood Krutch called the book "certainly the best and most ingenious account of the famous Elizabeth Canning mystery."

Another book in that vein was "Villainy Detected" (Appleton-Century, 1947), subtitled "a collection of the most sensational true crimes and most notorious real criminals that blotted the name of Britain in the years 1660 to 1800."

Her most popular fiction was a

series of short stories she concocted about Samuel Johnson and James Boswell under the title "Dr. Sam: Johnson, Detective." She said she used "imagined episodes which recall old crimes and frauds, real personalities, places and situations for the nucleus of the plot."

Other deaths:

Pietro Barilla, 80, whose stewardship of the family's pasta business led him to become one of Europe's wealthiest executives, died Thursday of natural causes, in Parma, Italy.

Ira Sergei Voidatov Patcevitich, 92, who for many years served as president and chairman of Condé Nast Publications, died Tuesday, in Southampton, New York.

Frederick Ungeheuer, 61, who covered the financial industry for Time magazine, and had been the Time bureau chief at the United Nations and in Paris, died Tuesday in a fall from his 12th-floor apartment in New York.

Steve Philip Jordan, 74, a jazz guitarist who played with Benny Goodman and Arlie Shaw, died of heart failure Monday in Alexandria, Virginia.

WARRIORS IN EDEN

By Friar Mariano Gagnon. With William and Marilyn Hoffer. 319 pages. \$23. Morrow.

Reviewed by José E. Gonzales.

Located at the top of a promontory, Cui had, in the early '80s, an infirmary, a school, dormitories, lodges, bathrooms and a beautiful chapel with a high ceiling and an inverted tree root for an altar. From its edge the jungle could be contemplated in all its splendor.

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Opened for colonization in the early '60s, the jungle welcomed an

BRIDGE

By Alan Truscott

THE final deal of the Women's Knockout Teams' final, in the American Contract Bridge League's Summer Nationals, capped a splendid surge by the winners: Gail Greenberg, Judy Tucker, both of Manhattan, Dorothy Truscott of the Bronx, Irina Levitina of Teaneck, New Jersey, Rozanne Pollack of Englewood Cliffs, New Jersey, and Stasha Cohen of Glen Ridge, New Jersey.

In one room, as shown, Tucker opened the West hand with a weak two-heart bid. This is almost always based on a six-card suit, but the circumstances here suggested caution: West had no singleton and the vulnerability was unfavorable.

The four-spade contract would have been doomed if West had led the heart ace and continued the suit to give her partner a ruff. She did

not know that and led the diamond seven. South suspected a singleton diamond and played the ace, but she did not suspect the 7-1 heart split and led a trump. Greenberg quickly put up the ace and led a heart, scoring the ruff and defeating the contract.

In the replay, Pollack and Cohen reached the same four-spade contract but the opening bid had been three hearts. The lead was the same, but this time South expected a 7-1 heart split and saw the danger. She took the diamond ace, cashed the club ace and threw a heart on the club queen. When the jack fell she continued with the ten and threw her last heart. West ruffed, and South's only other losers were the spade ace and the diamond king.

That was a gain of 10 trumps for the Greenberg team, contributing to a 42-imp gain in the session and a victory by over 24 over a foursome headed by Kay Schulte of Santa Monica, California.

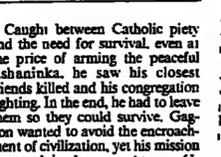
BOOKS

WHAT THEY'RE READING

Alexander Walker, author of "Rex," a biography about the actor Rex Harrison, is reading "A Season in Purgatory," by Dominick Dunne.

"The lives of the rich and famous are so like fiction today that a novel like this offers the best insider view."

(Mary Blaine, IHT)



THE CHINESE EXPORT COMMODITIES FAIR, AUTUMN '93
(The 74th Session)

中国出口商品交易会

October 15 -- October 30

The Fair will be composed of 45 trading delegations organized by the foreign economic relations and trade commissions (departments, bureaus) of all the provinces, autonomous regions, municipalities directly under the State economic plan, 5 special economic zones as well as by central ministries and national corporations. The Autumn Session will resume the comprehensive fair and last 15 days.

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MIDEAST PEACE / GOING WITH THE FLOW

For Peres, Zen and the Art of Politics

By Clyde Haberman

New York Times Service

JERUSALEM — "You know," said Shimon Peres, foreign minister of the Jewish state, "in recent years I became a Buddhist."

"Come again?"

"What I mean," he explained, "is that I understand the idea that the river is never the same at any moment. It changes with the water flow, all the time. The banks may remain the same, but never the water."

In other words, Mr. Peres said, there are more surprising dips and curves in this life than one can ever imagine.

And certainly nobody has learned that lesson better than Israelis and Palestinians now that their leaders have turned history on its head by trying to figure out how

to share this small patch of land steeped in holiness and blood.

Perhaps it is all moving a bit fast for people to absorb, Mr. Peres said as he sat over the Jewish New Year's holiday in his living room in Jerusalem and reflected on the enormous change under way here, one that he had played a powerful role in bringing about.

Not that there should be a slowdown in negotiations with the Palestinians, he said, on how to begin Palestinian self-government in the occupied Gaza Strip and West Bank. In fact, he added, "the main thing is to keep up the momentum, not to stop."

But Israel signed two agreements this week, first with the Palestine Liberation Organization and a day later with Jordan on an agenda for future peace negotiations, and the

plate is full for now, Mr. Peres said. There had been talk here two weeks ago that with the PLO deal under its belt, Israel might soon pick up the pace in discussions with Syria on trading the Golan Heights for peace. But the Syrians, he said, will have to wait.

"We have to digest these two agreements," he said. "It's quite a heavy load, and then we have to build economic support."

This is not the time, he said, for a referendum on the PLO deal, a possibility raised a few days earlier by Prime Minister Yitzhak Rabin and other senior politicians.

Like Mr. Rabin the other day, he had nothing to say about President Hafez Assad of Syria, who, he said, fancied himself to be a peace and deal-maker on a par with Anwar Sadat, the former Egyptian

president who made peace with Israel. There is no comparison, Mr. Peres suggested.

"There was a psychological mistake," he said. "Assad was put in superhuman dimensions, as though everything depends upon him. I think it was bad for him, and bad for us. He's an important leader, and he's our neighbor. But the world was created by somebody else, much bigger than him."

"We shall continue to negotiate," he continued. "But I think the Syrians will have to understand that nobody can pick fruit unless he plants trees."

"He wants to have the Egyptian end," he added, meaning a complete return of territory captured by Israel in 1967, "without the Egyptian beginning," a bold peace overture to the Israelis.

ARAFAT: Arab League Is Cool to PLO Chief Over His Defense of Pact

Continued from Page 1

Mr. Arafat's solo diplomacy with Israel, were present.

"He was trying to market the accord and explain how it fits with the peace process and how it doesn't depart from Arab coordination," the League official said. "He wanted to assure the Syrian and Lebanese he was not abandoning them," he added.

"Asked if Mr. Arafat had succeeded in this, the official replied, "Definitely not."

"Seeking to justify his secret dealings with Israel, which violate Arab pledges to coordinate their negotiating strategies, Mr. Arafat argued that the secret channel had become necessary because the almost two-year public negotiations held under U.S. sponsorship had "reached a dead end."

"In actual fact, the talks had collapsed," he said, adding that "Israeli intransigence" had increased meanwhile and that the Israeli-occupied

occupied Gaza Strip, which will soon pass to PLO control as a result of last week's accord, "had reached the point of famine."

Mr. Arafat will meet Monday with King Hussein of Jordan, who was angered when the Israeli-Palestinian accord was disclosed, and then visit China. It will be Mr. Arafat's first meeting with Mr. Hussein since signing the accord.

—CARYLE MURPHY

Rabin and Mubarak Held Talks

New agencies reported these related developments on Sunday:

Prime Minister Rabin and President Hosni Mubarak of Egypt examined ways of mobilizing Arab support for the PLO-Israeli accord during a two-hour meeting. Agency France-Press reported, Mr. Rabin said the pact's success depended on Arab support as well as financial assistance from Arab countries, Japan and the European Community.

The Israeli Army let Palestinian workers leave the occupied Gaza Strip for Israel, lifting a three-day closure imposed to avert violence during the Jewish New Year holiday.

In Beirut, the Hezbollah chief, Sheikh Hassan Nasrallah, said the Lebanese government pushed Lebanon to the verge of a new civil war to win U.S. and Israeli approval for moving against his Party of God. He was addressing a rally of 8,000 militants angered by the killing by Lebanese troops of eight people demonstrating against the PLO-Israeli peace pact last week.

In Tehran, members of the Majlis, or parliament, attacked the agreement, which its speaker called "one of the most humiliating documents in history," and said Muslims would continue to struggle against Israel, the official IRNA news agency added. Tehran radio said students at religious colleges in the cities of Qum and Meshed held rallies and were told by preachers that the world's Muslims opposed "the shameful" accord. (Reuters, AP, AFP)

ARABS: A Turbulent Region Facing Drastic Changes, Across the Board

Continued from Page 1

psychology and economic development of the region.

These are among the changes that experts foresee:

- New alignments among individual states.
- A resurgence of the Levant — the area comprising Israel, Syria, Jordan, Lebanon and a soon-to-be Palestinian entity — as an integrated economic unit.
- A boost for widespread demands for greater political freedom, unsheltered media.
- Greater demand for human rights and economic reform.

"Normal relations will be established in this region," said Foreign

Minister Amr Moussa of Egypt. "What did President Clinton say? 'To enjoy the miracle of normal life.' I like very much this quotation."

He illustrated this thought with the example of an Israeli soccer team coming to Cairo for a match — something that has never happened despite the countries' 14-year-old peace accord.

"Now that the PLO has recognized Israel, nothing will prevent others from doing so, or some others from doing so," he said.

If the peace process launched this month produces some form of acceptable Palestinian self-rule, "an important foundation of authoritarianism in the Arab world is

going to disappear," said Ghassan Salame, a Middle East specialist at the Institute of Political Studies in Paris.

"For the last quarter of a century, authoritarianism has taken one of its legitimacies from the conflict itself because military people thought they could deal better with Israel than civilians," Mr. Salame added.

A Saudi official said, "People will look for more civil rights, for better welfare arrangements, for individual country will have to rethink past, present and future."

Despite great expectations that a resolution of the Israeli-Palestinian conflict will blunt the appeal of Islamic fundamentalist activism,

Arafat's Wife Will Push for Women's Rights

The Associated Press

PARIS — Suha Arafat, the wife of Yasser Arafat, the chairman of the Palestine Liberation Organization, said in an interview with Elle magazine to be published Monday that she intended to work for the emancipation of Palestinian women as first lady of a future Palestinian state.

"I warned my husband," she was quoted as saying. "I told him, 'If you don't agree, we will demonstrate under your window and I'll be at the head of the crowd.'"

Mrs. Arafat said she admired Hillary Rodham Clinton and Danielle Mitterrand, the wife of the French president, and wanted to "serve" her people as they do.

The Arafats plan to move to Jericho by the end of the year and "navigate between Gaza and Jericho," she said.

In an accord signed last week between the PLO and Israel, Palestinians are gaining limited autonomy in the West Bank town of Jericho and in the Gaza Strip.

Mrs. Arafat, 30, conceded that life with her

63-year-old husband could be "very difficult."

"His masculine entourage is not yet used to the fact that he has a wife at his side, who shares his life, who is closer to him than anyone," she said.

A Tunisian newspaper said Sunday that the Arafats were expecting a child. The newspaper, Al Ra'i Al Amm, did not give any date for what it termed the "happy event."

Mrs. Arafat could not be reached for comment on the report.

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From Karl Marx To Marx Brothers Russian Politics Go Surreal

By Fred Hiatt
Washington Post Service

MOSCOW — Decrees are issued, and then rescinded. Laws are passed but ignored. Cabinet ministers come and go, and come again. Top officials call each other names, demand each other's resignations or even imprisonment and then, a few days later, turn up peacefully beside each other at meetings.

Kremlinology was once the rarified preserve of scholars who spent days mulling over a single photograph or elliptical statement. Today, as the Russian government careers in a dozen directions at once without seeming to arrive anywhere, Kremlinology is an Alice-in-

like the Ministry of Economics sink without a trace," he said, "and this is good."

And the optimists note that, despite the disorder, Russia seems to be lurching more or less in the right direction, precisely because so much change is bubbling up from below. Privatization continues, and hyperinflation, for now, remains at bay. Things could be worse, in other words: just look at neighboring Ukraine, verging on economic collapse.

Still, such a broad historical view does little to help diplomats make sense of Moscow for their governments, nor does it rescue Russians from their cynicism.

When parliament approved a 1993 budget, the finance minister labeled it "inflationary" and said the cabinet would ignore it and follow its own spending plan. When parliament scrapped Russia's long-maligned residency law, Moscow's mayor announced that the scrapping did not suit him and would be ignored in the capital.

Similarly, when the government reimposed state control over liquor sales, thousands of kiosk owners simply ignored the change and continued to peddle their banana and kiwi liquors. "Maybe the order's been executed by now, maybe not," Mr. Leoniev said. "No one knows, and no one cares."

Analysis often blame Russia's paralysis on the struggle between its conservative legislature and more change-oriented executive. But Leonid Radzikhovskiy, a respected commentator, said the absence of a clear ideology or program within any single branch was more corrosive.

"It is not only the struggle with each other that weakens power," he wrote in the magazine *Stolitsa*. "The absence of will within each institution, within each molecule of power, is even more damaging."

Recently, for example, Mr. Yeltsin accepted a proposal by First Deputy Prime Minister Oleg Lobov to dilute the privatization program. After Deputy Prime Minister Anatoly B. Chubais objected, Mr. Yeltsin rescinded the decree.

Last week, Mr. Yeltsin decided to replace Mr. Lobov, a conservative, with virtually his opposite, the reformer Yegor T. Gaidar, whom he had dismissed from the cabinet nine months ago.

Overall, the churning within Mr. Yeltsin's administration is remarkable: of eight men serving as deputy prime ministers last September, one is now prime minister, five have been dropped and two remain in their posts.

But many of those Mr. Yeltsin replaces are given other government jobs, resulting in an extraordinary flowering of presidential councils, think tanks and agencies — all with overlapping authorities.

And many members of this "team" seem to despise each other. The finance minister demands that the Central Bank chairman be dismissed, a presidential adviser accuses the attorney general of seeking his murder, the vice president calls a bunch of generals thieves — and a nothing comes of any of it.

NEWS ANALYSIS

Wonderland sport for the brave, the foolhardy and the bemused.

In Western politics "there are certain rules that cannot be violated," said Mikhail Leoniev, a financial journalist who has become one of the more gleeful observers of Moscow madness. "In our strange circumstances, there are no such rules."

For any government, of course, there are gaps between command and reality, appearance and reality, memorandum and implementation. But it is difficult to recall a time and place when those gaps have been so wide — so surreal — as in Moscow today.

Russia's government at first glance seems like any other. Ministers hold meetings, diplomats sign agreements, legislators pass laws.

But any connection between those events and what really happens in the country often turns out to be entirely coincidental. With Russia about to enter a season of political strife, the disconnection is worth recalling.

For diplomats and others working here, seeking to explain the irrelevance of various statements and decisions to folks back home can be a frustrating experience.

"The problem is, my government is busy running its country, and they assume this government is too," one Western diplomat said. "And when they're writing memos and drafting bilateral agreements, they don't want to hear that none of it makes any difference. There's an unreal aspect to everything that goes on here."

The governmental gridlock discourages investors, nurtures crime and corruption and leaves many Russians disgusted and disillusioned by what they assume must be democracy.

Yet some observers see no tragedy in the impotence of laws. For decades and even centuries, Russians have had to knuckle under, they say; if now they are going their own ways with nothing but a snicker for the powers that be, that is healthy, at least in part.

Mr. Leoniev said many of the quickly discarded laws and decrees emanated from Soviet-era bureaucracies trying to keep their old powers in a new world. Fortunately, he said, Russia's entrepreneurial society has developed an "immunity" to their "stupidities."

"Most decisions of agencies



TEA TIME — Prime Minister John Major of Britain, in Tokyo on a trade mission, talking with Mobyuashi Hoshi, a former sumo champion, during tea at British Embassy. Earlier Mr. Major told Conservative Party critics to stop bickering and rejected rumors of a leadership challenge.

UN Copters to Seek Atomic Sites in Iraq

New York Times Service

UNITED NATIONS, New York — In a new trial of strength with President Saddam Hussein, the United Nations has sent helicopters equipped to detect atomic radiation in an effort to sniff out any secret nuclear weapons sites in Iraq.

Baghdad, which has said it fears that UN arms inspectors may try to assassinate Mr. Saddam, delayed the start of the flights while it sought assurances that the radiation detectors were not really laser guns that could zero in on the Iraqi leader.

The use of helicopters to look for nuclear installations is the first stage of a stepped-up weapons hunt by the special commission charged with disarming Iraq. At the end of this month, the commission plans to send more than 100 inspectors into the country to begin the biggest combined search yet for prohibited weapons.

The United Nations is particularly concerned that Iraq may still be concealing more than 100 Soviet-built Scud missiles after both Defense Secretary Les Aspin and R. James Woolsey Jr., the director of Central Intelligence, said part of Iraq's missile arsenal appeared to be unaccounted for.

In testimony before the Senate on Feb. 24, Mr. Woolsey said the Iraqis "retain missiles, support systems and propellants and are still capable of firing Scud missiles."

The inspectors will also be hunting for traces of chemical and biological weapons programs and evidence of a secret underground nuclear reactor that French intelligence reports in 1992 indicated might exist.

The commission is also increasing the number of photo reconnaissance flights over Iraq by the U-2 spy plane the United States has lent from about two a week to three or four, officials at the United Nations say.

The commission said this month that it could not declare Iraq in compliance with terms of the Gulf War cease-fire resolution until it was satisfied that Baghdad had dismantled all programs for manufacturing weapons of mass destruction and until it had extracted a promise from Iraq to comply with long-term monitoring of industry.

The UN Security Council could then lift its embargo against Iraqi oil sales.

POLAND: Leftists Rebound

Continued from Page 1

against free-market reforms made by centrist governments since Poland became the first country in Eastern Europe to sweep away Communist rule.

Appearing to move to the margins — perhaps not getting the minimum percentages needed to sit in parliament — were rightist parties advocating the purging of former Communists and parties allied with the Roman Catholic Church.

The church is losing influence after pushing hard for passage this year of one of Europe's strictest anti-abortion laws.

With no party in sight of gaining a majority in the Sejm, or lower house, a coalition will have to be formed. Asked about potential partners, Mr. Kwasiński told Polish television: "We are classic. We are ready for talks that should be quick and energetic."

"We will try to form a government but it may turn out nobody wants to do that with us," he said. Forming a coalition could take at least several days and President Lech Walesa is sure to play an influential role. He is expected to choose one of three candidates proposed as prime minister by the party with the most votes.

More than 27 million people were eligible to vote in the election. The state election commission chairman, Andrzej Zoll, said the voting had gone smoothly. (Reuters, AP)

Rematch in an Old Rivalry: Rome Against Tiber

By John Tagliabue
New York Times Service

ROME — Obscured by the start of the soccer season and the latest arrests in the country's corruption scandal were recent reports of a rock-and-sand dike that for the first time in anyone's memory dammed up an entire channel of the Tiber, creating a sort of lake along the shore of Trastevere, the city's old bohemian quarter.

It happened at the point where the river divides around the Isola Tiberina, the tiny island in the river where it flows through Rome.

The work was an attempt by government engineers to make the Tiber behave, to prevent it from tugging down some of the city's monuments, particularly a bridge whose stones were first put in place by a city official called Lucius Cestius. He was in charge of urban development in 46 B.C.

"This is the heart of the city. This is where Rome was born," said Giancarlo Santariga, of the Ministry of Public Works. "This was the easiest point to ford the river, and to defend a settlement."

"At first the water was a great aid, one of the first essentials, driving mills all along here to grind grain," he said. "Today, it's become a nuisance."

In a sense, Mr. Santariga's struggle with the Tiber is a rerun of an old contest.

Roberto Linetti, an engineer, said the problem lies partly in Rome's foundation near the Isola Tiberina, that is "really, just another sandbar," despite churches, medieval towers and Renaissance buildings that impart an air of placid permanence. Parity, though, it is also a result of recent human intervention.

Ancient Rome's poets spoke of the "lawny Tiber" for the deep yellow color imparted by tons of silt the river juggled downstream on its meanderings through the country.

But over the last few decades, Mr. Linetti said, the construction of hydroelectric dams upstream from Rome has blocked the flow of sand and silt that renew the river's bottom, causing it to carve itself ever deeper into its bed. That can undermine not only the river's bridges, but also the high stone walls that for nearly a century have skirted its banks.

The most delicate area is the stretch of the river at the Isola Tiberina, where the turbulence caused by the ferreting waters menaces not only the Bridge of Cestius, which Romans now call the Ponte Cestio, but also the Ponte Fabricio, spanning the Tiber's opposite channel. That bridge was first erected by the consul Lucius Fabricius in 62 B.C.

Troubled, too, are what, by Rome's standards, may be called modern structures: the ruined chunk of a 16th-century bridge that Romans call the Poate Rotto, or broken bridge, and a black iron 19th-century viaduct, the Ponte Palatino.

Despite its solid look, the fickle nature of the Isola was evident even to the early Romans, and workers have uncovered marble footings set by them to anchor its shifting sands. In recent years, Mr. Linetti said, engineers have sunk steel and concrete piles deep into the subsoil on the island's perimeter, in effect stitching it to its present site.

In 1965 engineers at Rome University developed a hydraulic model of the Isola and its surroundings to enable them to test the consequences of human intervention. Technically the model showed that the best way to ensure the island's stability was to provide for an even distribution of water through both channels.

The early Romans had reinforced the river bottom to right and left of the island, protecting it and the bridges that afforded access to it.

German Church Has Its Treasure After 48 Years

Agence France-Presse

QUEDLINBURG, Germany — Nearly 50 years after being stolen and lost to sight, some of Germany's richest medieval treasures were restored to their original church setting Sunday with state and religious honors.

Twelve of the artifacts of gold and precious stones were stolen by a U.S. Army officer in 1945. The pieces taken by Lieutenant Joe T. Meador, collected over the centuries by German kings and emperors, then disappeared. They came to light when put up for auction in Switzerland in 1988, after his death.

Since then, the federal government and the Saxony-Anhalt state have spent some 11 million marks (\$7 million) to bring them back, restore them and ensure their security.

Yeltsin Agrees To an Early Vote On Presidency

Reuters

MOSCOW — President Boris N. Yeltsin, in an attempt to resolve Russia's political stalemate and force early parliamentary elections, has agreed to a possible early presidential election.

"The most sensational thing that can be said is that, for the first time, the president agreed to the idea of early presidential elections," Andranik Migranyan, a political adviser to Mr. Yeltsin, said Saturday after a meeting of regional leaders. He said Mr. Yeltsin proposed holding presidential election about six months after parliamentary polls to "preserve the stability of power."

Regional leaders and Yeltsin aides welcomed the president's proposal.

"I hope this can resolve the stalemate," Deputy Prime Minister Sergei M. Shakhrai said. "It should create the critical mass that would enable an election ship to leave port."

Mr. Yeltsin is locked in a bitter power struggle with the conservative-dominated parliament over Russia's future. He says that early parliamentary elections are necessary to ensure that radical political and economic reforms become irreversible. Mr. Yeltsin's term expires in 1996 and parliament's in 1995.

Lufthansa Denies Report Of Bad Brakes on Airliner

Reuters

FRANKFURT — Lufthansa has denied a report that a crew had complained about the brakes on an Airbus A-320 the day before it crashed at the Warsaw airport last Tuesday, killing two people.

The German magazine Focus is publishing a report in its next edition, giving Lufthansa technicians as sources, that says a complaint was filed by the crew that had flown the jet the day before it crashed. It said the complaint had been entered in the airline's central computer.

Lufthansa said in a statement Saturday that no such complaint was ever logged. The statement said the brakes on the Airbus that crashed not only met international specifications but also had the latest modifications to its brake disc pad system. It said initial results of an inspection at the crash scene showed that the brake discs were fully functional.

The airline said it had been planning, during a routine inspection from Sept. 14 to 24, to determine if the brake checking system matched the modified brakes or not, but a spokesman added that regardless of which system was in place, no danger had been posed. The airline said the exact cause of the accident could not be determined until three flight recorders had been examined.

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Emirates to Expel U.K. Pair

Reuters

SHARJAH, United Arab Emirates — An Islamic court ordered a British couple deported on Sunday after it quashed a one-year jail sentence imposed on them for living together. Peter Wade and Yvonne Campbell have one month in which to appeal the sentence.

A Special Report

Mauritius

Economy Needs to Retool To Ward Off Stagnation

Gains of Last Decade Raise Question: Has the Island Succeeded Too Well?

By Conrad de Aenlle

PORT LOUIS, Mauritius — The last 10 years was a period of tremendous development for this little republic...

Some say the government is partly to blame for the lethargy. They say it took shortcuts to achieve full employment during the 1980s...

"We are competitive because the rupee declined, not because of productivity and the quality of what we make," argues Preetum Domah...

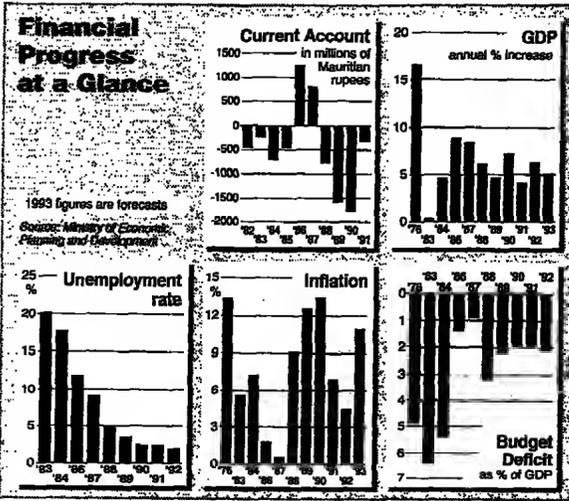
Policy makers know that cannot go on much longer; they have declared inflation their No. 1 nemesis...

It worked — maybe too well. While once more than 20 percent of Mauritians were unemployed, there is now a labor shortage...

There is a danger that the island's work force is pricing itself out of the market. The momentum of investment in enterprises in the tax-favored Export Processing Zone has slowed noticeably...

"Now things seem to be more difficult; there's a recession everywhere, including in the emerging countries," said Danielle Wong...

"Definitely, there is going to be a period of stagnation," added an economist, who insisted on anonymity. "Growth has flattened out. When I look two or four years out, I say, 'What are we going to do?'"



the biggest component of GDP, at 22.8 percent, followed by tourism and other services, at 17.4 percent.

The creation of jobs and the conversion to manufacturing has resulted in a tripling of real per-capita GDP. If the pace of development is falling off, it is doing it from a very, fast rate.

"Standards of nutrition, health care and general education exceed those of neighboring countries and are comparable to other middle-income [developing] countries," it states.

Expectations have risen with living standards and have provoked a shift in the collective self-image: Mauritius is no longer a rich poor country; it is now a poor rich country.

Government leaders say that while they use no single country as a model, they would like to follow the path of the so-called "Asian tigers," small, fast-growing, export-dominated, industrial economies.

of textiles, and building the technical proficiency of the work force.

"Mauritius will need to foster increased labor productivity by improving technology and reallocating labor to higher-productivity sectors," the World Bank says.

POLICYMAKERS agree. "We are pursuing our efforts to diversify into capital-intensive and higher-technology production, while placing greater emphasis on the modernization of all productive sectors of the economy," said the prime minister, Sir Anerood Jugnauth.

Now that the island has developed an industrial base and put its fiscal affairs in order, "the next part is managing success," said Derek Taylor, chief executive of Rogers & Co., the largest business on the island.

"We have to upgrade the skills of our people to keep them competitive, and we have to invest in technology," Mr. Sithanen said.

CONRAD DE AENLLE is a journalist based in Paris.

Political Consensus Exists Despite Coalition Rivalries

Special to the IHT

PORT LOUIS — The most popular spectator sport here is politics. Conversations among the most casual acquaintances do not last long before the subject comes up...



Sir Anerood Jugnauth

The latest turn of events is especially juicy. Last month, the prime minister, Sir Anerood Jugnauth, booted out his foreign minister — and chief nemesis — Paul Bérenger.

The story begins in the early 1980s when the two politicians were leaders of the leftist Mouvement Militant Mauricien, which took power in the election of 1982.

Then things went sour. The prime minister took a sharp turn to the right and initiated market-oriented reforms. Mr. Bérenger resigned, taking 10 cabinet ministers with him.

A drug scandal led to a rift between the MSM and the MLP, but in elections in 1987 Sir Anerood kept his job thanks to an alliance with several smaller parties.

"The alliance in 1990 was largely one of political convenience," notes a Western ambassador on the island. "Bérenger has never been comfortable with Jugnauth and vice versa. In hindsight it was inevitable there'd be friction."

The present row is said to turn on a dinner party with the wrong guest list. Gilbert Ah-nee, a journalist at the newspaper Le Mauricien, summarizes each side's version, neither of which he finds convincing.

The dumping of Mr. Bérenger comes as a number of emotional issues are being debated in Mauritius and so is seen as a particularly daring act, although not a threat to the prime minister's rule.

Political observers note that the government, in its continuing market reforms, is cutting long-standing subsidies on basic commodities such as rice and flour.

commodities such as rice and flour. And it is revamping the health and welfare system so that those who can afford to pay for services will be made to do so.

The prime minister says this merely brings the system into "conformance with the new social and economic realities" of greater prosperity and full employment in the country.

Another government initiative likely to meet stiff resistance from the left is trade union reform. To combat inflation, authorities want to dismantle a set of laws that give the unions considerable power in setting their pay.

Independent observers see things much the same way. Despite the antagonism between the country's two flamboyant leaders, there is not much to separate the country's main political figures in matters of policy that would affect outsiders looking to invest in or do business with Mauritius.

"I can't see a new government bringing radically different policies," said an official at another Western embassy. "If I were an investor, that wouldn't dissuade me. If elections were held next week, it wouldn't be the difference between this or a slide into anarchy."

Conrad de Aenlle

Offshore Banking With Regional Vision

Special to the IHT

PORT LOUIS — It is almost obligatory for an island trying to broaden and modernize its economy to proclaim itself an offshore financial center and offer banking and investment services to nonresidents with minimal taxation.

While offshore banking has been around since 1989, it is only in the last year that the country has allowed a full range of offshore business activities. In addition to offering traditional investment services such as fund management, Mauritius is working to persuade industrial and trading companies to set up their regional operations on its territory.

As of the end of July, 263 offshore companies had gone into business, which officials like to point out is the fastest start an offshore center has ever had. An auspicious beginning, but it will be years before Mauritius can even hope out to be dwarfed by the established centers.

"The progress Mauritius has made in the last 12 months is enormous," said Duncan Steele-Bodger, manager of offshore banking in Mauritius for Barclays Bank.

Finance Minister Ramakrishna Sithanen thinks his island can do better than some others because offshore is not the only game in town. While many centers rely on little else to keep them going, Mauritius already

has a strong and diverse economic base and the commercial, technical and managerial wherewithal that come with it.

"Offshore is a natural outgrowth of our economic strategy," the minister said. "It didn't spring up out of nowhere. We have graduated from agriculture to a four-pillar economy," the others being textiles and tourism, besides finance and agriculture.

Other selling points he listed include political stability, a multilingual population, a location in a time zone west of Asia and east of Europe and Africa, and "a good professional infrastructure that can oil the machinery."

Some in the finance industry dispute the last one. They complain of a dearth of professionals well versed in the peculiarities of offshore operations.

Iqbal Rajababoe, director of the Mauritius Offshore Business Activities Authority, acknowledges such concerns. "We cannot pretend to give services as ... to London or the Channel Islands or in Hong Kong," he told a local business magazine.

"That's the main kind of strategic importance of the place at the moment," said Jerry Lacey, editor of the financial services trade periodical Portfolio International. "The kind of second- and third-rank places are there for particular reasons."

The reason Mauritius is there right now is as a gateway to India, which in the last year has stirred considerable international invest-

tor interest. A double-taxation treaty between the two countries allows Mauritian companies that invest money in India to have their gains taxed at Mauritius, rather than Indian, rates.

Such discrepancies have not gone unnoticed. Four funds investing in India and listed on international stock exchanges have been launched in Mauritius in the last several months. Others are likely to follow.

"We're really seeing a lot of interest, not just from the more established fund managers but also from nonresident Indians who have always been keen to invest back into India," Mr. Steele-Bodger remarked.

The treaties are the key to achieving that. Not only would they bring in investors targeting specific markets, but also the corporate regional offices Mauritius is after.

Mr. Sithanen says accords with other nations are "on the runway, trying to take off." Few will be long-haul flights; authorities are concentrating on Asia and the burgeoning economies of Africa. They agree that broader appeal is vital but that those they are most likely to appeal to are close to home.

"We don't have the means to compete with the big boys," Mr. Sithanen conceded. "But in this part of the world, where development is occurring in East Africa, India, Asia, the Indian Ocean, Mauritius is well poised to be the regional financial center."

Conrad de Aenlle

INTRODUCING MAURITIUS. A new Offshore Base. Since 1989, Mauritius has been recognized as an offshore financial center...

Offshore Banking With Regional Vision. PORT LOUIS — It is almost obligatory for an island trying to broaden and modernize its economy to proclaim itself an offshore financial center...

"Take a postcard Miss Jones." To get away from it all, the astute businessman will always turn to that most private of private sectors: the island of Mauritius.

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Mauritius

A Special Report

'Malaise Créole': A Cloud in Bright Skies of Ethnic Mix

By Conrad de Aenlle

PORT LOUIS — The assortment of racial and religious groups that have shared this island in peace for most of the last two centuries make it a model of ethnic harmony and is its greatest source of pride. It is typically described in florid phrases: "intoxicating mixture," "an amazing blend of cultures," "a rich ethnic mosaic."

Others see only a veneer of serenity that belies an uglier truth under the surface, waiting to emerge. "Conflict is deep and serious," one Mauritian says. "It's unexpressed, but you can feel it."

These are the demographics: Just under 70 percent of Mauritians are of Indian descent, with about three-fourths of these Hindu and the rest Muslim; 3 percent are of Chinese extraction, and the rest make up what is known in bureaucratspeak as "the general population." These are Europeans and Creoles, people of African and Malagasy origin, and those of mixed blood.

Overt antagonism between groups is virtually unheard of. About the only exception is a brief period of rioting between Muslims and Creoles around the time of independence in the late 1960s. Why does everyone seem to get along so well?

"We have within the ethnic groups a fair amount of respect and understanding; we avoid clash," observes Vinesh Hookoomsing, a professor in the University of Mauritius school of social studies. "Consensus is the magic word. We are very much aware of what are the sensitive grounds on which we should not tread."

CONSSENSUS has been enshrined, sometimes through peculiar political structures. The electoral system grants seats in the legislature to a handful of "best losers" to ensure representation of all minorities; for the same reason, there are no fewer than two dozen cabinet ministries. The constitution guarantees free speech and proclaims no official state religion. Indeed, a recent census showed 87 religious denominations represented.

"Problems come when groups don't have the means to speak out and have their problems addressed," said J. W. Lobo, director



An open-air market in Port Louis; Mauritius's polyglot population has roots in India, Africa, China and Europe.

of the Indira Gandhi Center for Indian Culture. "When they have a grass-roots democratic setup, everyone feels secure."

Just as democracy favors no group over any other, neither does history. No one has a claim on the land because there are no indigenous Mauritians; everyone is from someplace else. The island's past is short enough so that there are no simmering, deeply rooted feuds, but long enough for people to feel Mauritian as well as Indian, say, or Chinese. Social and economic progress have helped, too.

"More and more, Mauritians have a common set of values, no matter what their ethnic background," said Mr. Hookoomsing. "We are moving from an agricultural to an industrial society. . . . With modernization, people are participating in a world trend."

The trouble is some members of the island's smaller communities feel they are participating less than others, and Hindus get blamed for it. "Because Indians are a majority here, they claim they own the land," grumbled one Chinese-Mauritian executive. "We in the minority don't feel our rights are being deprived officially, but you can see it in subtle ways. If you're born in [a particular] caste, you can climb the ladder more quickly."

It is the Creole community that occupies the lower rungs. It has made the fewest gains in Mauritius's decade of progress and feels the most disaffection of the country's minorities. Mauritians speak of "la crise communale" or "le malaise Créole."

"Creoles are obviously poorer and have no real education," Gil-

bert Ahnee, a reporter and editor for the newspaper *Le Mauricien*, commented. "There are various reasons historically. They're the only people who did not choose to come here."

While other groups brought their culture, language and religion to Mauritius, the Creoles, whose ancestors were imported as slaves from Madagascar and mainland Africa, had to leave theirs behind. They have no roots. "They lost everything," said Mr. Ahnee. "The only thing that remains is a sort of folkloric culture."

It is darker-skinned Creoles, especially, who have been left socially adrift. Mr. Hookoomsing believes. "We try to label them 'Afro-Mauritian.'"

It is a bit of a misnomer, because the link with Africa isn't felt

as strongly as the links with China, India and Europe."

He blames the Roman Catholic Church, in which most Creoles belong. He views the church, which had a hand in keeping Africans in slavery, even as it was converting them, as having manipulated the Creoles rather than embracing them. Unlike in the United States, where blacks adapted Christianity to their own culture, the church in Mauritius is seen as a foreign institution. As he puts it, "There's no equivalent here of the blues."

But one is evolving, he said, through a sort of black consciousness movement in the Creole community. It is being expressed culturally, in a musical form called "reggae," a name derived from reggae and sega, a local dance, and economically, in the opening of

small shops by a burgeoning class of entrepreneurs.

For Mr. Ahnee, the government is the villain of the piece for remaining blind to the Creole community's lack of progress as the country goes through the greatest economic boom in its history. It angers him when authorities boast of having achieved full employment "when you see so many people drinking in the 'boutik' at 10 o'clock. If they're fully employed, what are they employed at?"

"Specific actions have to be taken in these handicapped communities. . . . If Mauritius is going to continue the development it has achieved over the last 10 years," he said. "Ministers say we have human resources, but what the hell are we doing with these resources? They have to be nurtured."

KARL Offmann, the minister of social security, replies that help is available to all in need and that there is no reason to target a particular community: "We don't have specific actions for the Creole group; we don't need them. The structures are there; you only have to take advantage of them. He cited the island's programs of free education and health care, and housing assistance.

It is clear to an outsider that Creoles form an underclass in Mauritian society. They are virtually absent from the bigger towns like Port Louis, which teems with Indian office workers and managers, European businessmen and Chinese merchants. In two afternoons spent at the University of Mauritius campus in Le Réduit, only one Creole was seen among hundreds of students of Indian, Chinese and European origin. They are far more conspicuous in the rural villages of the south.

Paul Bérenger, a longtime leader of the Mouvement Militant Mauricien, one of the island's two major political parties and a champion of the Creole cause, concedes that the country's social and political institutions have failed the Creoles but that a remedy is hard to find.

"We believe there is action to be taken, but it has to be done carefully so as not to anger the other members of the population," he said. "Communal politics are still with us. Mauritius is a shining example of unity in diversity, with people of different groups living in harmony. But it is fragile."

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AIR MAURITIUS

Tourists Need to Be Lured Off the Beach

Special to the IHT

PORT LOUIS — The secret of promoting tourism in this island in the middle of nowhere is to convince potential visitors that it really is an island in the middle of everywhere, or at least in the middle of the Indian Ocean, and so easily accessible to southern and eastern Asians, Australians and Africans.

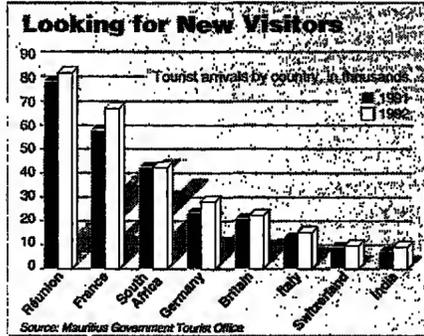
By employing such a strategy, government and private tourism officials hope to expand beyond the traditional Mauritian visitor base of Europe and nearby islands like Réunion and Seychelles, which together are the starting point for 70 percent of arrivals.

"We're trying to project Mauritius as the ideal transit point between Asia and Africa and Australia and Africa," explained Raj Doornath, the commercial management director for Air Mauritius. Of course, it's only an ideal transit point if you can get there. The airline's newest route is Perth, in western Australia; it is trying for several cities in China and Japan, but these are likely to be several years off.

Asians are nevertheless finding their way to the island. Japanese arrivals have increased 17 percent annually over the last five years, those from Singapore show a 10 percent annual growth rate, and the number for India is 19 percent, according to figures compiled by the Mauritius Government Tourist Office.

Last year, visitors from all countries totaled 331,000, up 10 percent from the year before. Air Mauritius is projecting a 7 to 10 percent increase in its traffic for this year over last.

The visitor base is broadening, and it is already much more diverse than it used to be. "At one time, South Africans accounted for 70 percent of tourists; now it's 11 percent," said Sulaiman Patel, a spokesman for Beachcomber Ho-



els, the island's largest innkeeper, with more than 900 rooms in five hotels. "Obviously, direct flights to Europe have opened up new markets." The chain's biggest customers now are the French.

Business travelers account for less than 10 percent of the total. Tourism officials would like that to increase for several reasons, one being that businessmen spend more money, about 25 percent more per day, than vacationers. No matter why they visit, people who come to Mauritius are going to spend a lot. Because it's so remote, the plane fare is steep from nearly everywhere. The hotels are expensive because the lagoons on which they front, surrounded by white, powdery sand and coral reefs, are prized by beachgoers. And a hefty duty on car imports puts the price of rentals into a range from outrageous to extortionate.

The industry has tried to expand the market down to fill up middle-priced hotels, mainly by targeting Indians, who generally have less to spend than Europeans. Still, the island caters mainly to the well-

heeled and remains, as one tour operator who sells packages to Mauritius in Europe put it, "a very expensive, exclusive name."

But it's not too expensive for the quality of service provided, argues Sotun Ghoorah, manager of the Mauritius Government Tourist Office. "People don't mind spending £100 a day if they know they're staying in a tranquil, no-problem destination," he said.

Officials are trying to convert business travelers into that way of thinking because they are more likely to come when it's not peak season and more likely to get off the beach, where 95 percent of visitors stay.

"We'd like better utilization of resources for the tourism industry," said Noël Lee Cheong Lem, the tourism minister. "To reduce pressure on the coastal region, we want to move tourism to the interior part of the country."

A good idea, perhaps, but it's difficult getting there because the roads are in such bad repair, and the telecommunications infrastructure also is nowhere near the level of business destinations in

the developed world. Then, when guests arrive, there are no business hotels to put them in, at least none that offer services and comfort approaching those on the coast.

Mr. Lee says that will change. The ambitious effort to resurface and widen roads is due to be completed by the end of next year, and business hotels are in the works, he insists.

One lure for business visitors will be a conference center in the northern town of Grande Baie, which is to open this fall for a francophone summit. The center will be able to accommodate 500 to 700 delegates, depending on the room configuration.

But tourism officials realize that most of those who shell out for the long, expensive ride — 95 percent of them, in fact — head straight for the beach when they get there. They also realize that there are many other beaches in the world, and this may help to explain the stubbornly low hotel occupancy rate, which fell to 64 percent last year at large hotels from 66 percent in 1991.

Exacerbating the problem is a glut of rooms that came on the market after building permits were handed out a bit too freely. "Each hotel applying for a permit would say in its feasibility study that it had a captive market to draw on," Mr. Patel of Beachcomber recalls. "In reality, they were going after the same market as everyone else. At one time we were operating at 85 percent of capacity, but that's gone now. Those were the good old days."

To have days like those in the future depends on selling Mauritius as more than just a big beach. "We do think in terms of what makes this island different," Mr. Ghoorah said. "Why should people come down 12 hours just for a beach experience?"

Conrad de Aenlle

New Wealth Nurtures Fledgling Stock Exchange

Special to the IHT

PORT LOUIS — With the wealth produced during a decade of expansion, Mauritians have accumulated many of the trappings of Western success. In Europe, they can get all manner of European goods at a huge outlet of the French retailer Prisunic, which is right next door to Kentucky Fried Chicken. And there is a "video club" in practically every village, usually stocked with Asian adventure films.

For real thrills, though, there is the Stock Exchange of Mauritius. It's still a small thrill, with 25 listed companies that have an aggregate capitalization of about \$1 billion. By comparison, the Coca-Cola Co. is valued at \$57 billion. In addition to the 25 listed issues, there are 90 that trade unlisted.

As small as it is, it has gotten bigger in a hurry. The Semdex index was recently up around 50 percent from the start of the year. What has been driving it up is a lot of money

from inside and outside the country, and a lot of hype. On a Saturday afternoon radio show not long ago, an executive of a prominent company acquainted Mauritians with the value of investing in shares by saying they pay dividends and the price keeps going up, too. That may not be true forever, but at least it's true now.

Whenever stocks are sold, investment funds usually come to buy them. The Mauritius Fund, which was listed on the London Stock Exchange in January, has \$17.6 million committed here. It trades very thinly, but its managers say this was expected, as most of its shareholders are institutional investors in for the long haul.

The fund was given a head start when the Finance Ministry agreed to keep out other foreign investors for a year. Sumi Banymandhub, the fund's executive director, says there is no way to know if having the field to itself will make any difference in performance; the key is the country's potential for growth.

Outside analysts do not think much of the idea, though, seeing it as a distasteful bit of government manipulation, and they are not fond of Mauritius as an investment location. There are better places to commit funds in Africa, they argue.

The finance minister, Ramakrishna Sithanen, said he was pleased with the market's performance and defended the exclusivity arrangement: "I could not afford to let everyone come in; this is a small country. . . . I wanted to limit speculation."

Mark Edwards, the fund's general manager, said the negative comments may stem from early investment deals that went sour. From his point of view, the market offers "good stability and good growth." He expects that when the market is opened again to outsiders, there will be some interest, but not rampant speculation.

Conrad de Aenlle

MESSAGE FROM THE MINISTER OF FINANCE THE HONOURABLE R. SITHANEN



Ramakrishna Sithanen Minister of Finance

Within a relatively short span of time, Mauritius has succeeded in transforming its economy. It has reduced its heavy dependence on sugar production by rapidly developing its industrial and tourism sectors. It is now engaged in its second phase of industrialisation and is pursuing its drive to modernize its economy and diversify into up-market activities. Special emphasis is being placed on developing financial services as the fourth pillar of the economy and in establishing Mauritius as a regional financial centre.

We have thus set up a full-fledged International Business Centre (IBC) providing for offshore banking and other services. We have also recently put in place a Freeport, and it is taking off very fast. These new sectors are poised for yet faster expansion as positive developments in Southern Africa and other countries of the region are opening up more opportunities for trade and investment between Africa and the rest of the world. I consider that Mauritius has the potential to become a platform for business linkages between Southeast Asia, the Indian sub-continent and Eastern and Southern Africa.

Operators in both the Freeport and Offshore business sectors benefit from generous fiscal incentives and the support of a well developed on-shore financial system. Furthermore, they can rely on excellent telecommunications facilities, a modern transport network and the availability of a highly educated workforce, fluent in both English and French. They can also find in Mauritius a strong and dynamic private sector, with proven experience in tapping business opportunities in joint ventures with foreign partners. Above all they can conduct their business in a climate of political and economic stability. Government views its role as a facilitator of private enterprise and is deeply committed to maintaining an environment conducive to business expansion. We have liberalised all foreign exchange transactions. In fact, Mauritius is soon graduating to Article VIII of the IMF Articles of Agreement, which demonstrates our sound financial standing.

I am sure that Foreign entrepreneurs will find exciting and rewarding opportunities for investing in Mauritius.

سكوا من الأصل

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 322 40 00. Prices may vary according to market conditions and other factors. Sept. 17

Canadian Dollars

Table of Canadian bond prices with columns for issuer, coupon, maturity, price, and yield.

Table of international bond prices for various countries including Australia, Brazil, Canada, and others.

Table of international bond prices for various countries including France, Germany, Italy, and others.

Table of international bond prices for various countries including Japan, Korea, and others.

Table of international bond prices for various countries including Mexico, New Zealand, and others.

Table of international bond prices for various countries including Norway, Sweden, and others.

NEW YORK (AP)

Financial news and market commentary from New York, including mentions of the Dow Jones and market volatility.

MUTUAL FUNDS

Figures as of close of trading Friday, Sept. 17.

Table of mutual fund performance data, including fund names, assets, and returns.

ECU Straights

Table of ECU straight bond prices.

Table of ECU straight bond prices for various issuers and maturities.

Pound Sterling

Table of Pound Sterling bond prices.

Table of Pound Sterling bond prices for various issuers and maturities.

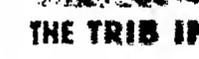
Yen Straights

Table of Yen straight bond prices.

Table of Yen straight bond prices for various issuers and maturities.

Continued on Page 13

Continuation of the bond price table from page 13, including various international bond listings.



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BUSINESS

International Herald Tribune, Monday, September 20, 1993

Page 11

CAPITAL MARKETS

Will Cooling Asset Prices Stop a Market Meltdown?

By Carl Gewirtz
International Herald Tribune

PARIS — While money managers may lament the early arrival of autumn that ended the long summer rally in financial asset prices last week, analysts viewed the setback with aplomb. There was too much froth and not enough substance in the sharp rise of equity and bond prices in North America and Europe, they contended, adding that a correction was necessary to establish a more solid base for future advances.

"Prices of stocks and bonds had gotten ahead of themselves," says Peter Chambers, London-based market strategist at James Capel & Co. "We've seen quite substantial rallies over the past six upward and prices got quite over-extended. A correction in the market is overdue."

In fact, the strength and global breadth of the summer rally was itself becoming a concern. "There was lots of concern about a speculative bubble building in financial asset prices," noted Mark Cliffe, London-based analyst at Nomura Research Institute Europe Ltd.

Less froth leaves analysts more comfortable in predicting resumed albeit less hectic gains in the months to come once the correction has run its course over the next few weeks.

Last week's sell-off started in the United States and gathered momentum in Britain, when both countries reported relatively modest upticks in consumer prices for August that were larger than markets had been anticipating. This triggered fears that U.S. interest rates could start rising sooner than expected and that British rates might have stopped falling.

In the view of David C. Roche, London-based strategist at Morgan Stanley International, "the only valuation criteria which supports equity markets worldwide is lower interest rates."

"If you look at all the key ratios — equity prices-to-earnings, or to-book values, or to whatever you like — around the world without adjusting them for interest rates, everything is expensive. They're expensive also in relation to the history of the markets. Even if you take very optimistic earnings estimates you still find at the end of next year the major markets are selling at multiples significantly above their 10-year average. That's a negative."

"If you then build in interest rates, because they're low and declining, these markets don't look so expensive to interest rates in real terms. The reason for that is because inflation is so low. If inflation stays low, higher multiples are sustainable. If inflation — or fears of inflation — rises, then the immediate assumption made by markets is that interest rates will not go down and the whole paradigm holding these markets up drops out — and that's exactly what we've seen."

The fundamental issue for him is whether current high stock market multiples — 25 times projected 1993 earnings in the United States, 21 in Western Europe overall and 67 in Japan — can be sustained. He notes the price-earnings ratio on U.S. stocks is 33

See MARKETS, Page 13

Honda Shifts Output to U.S. Unit

By Andrew Pollack
New York Times Service

TOKYO — Honda Motor Co. plans to produce in the United States all the Accord and Civic models it aims to sell in the American market, a spokesman said, eliminating exports of those models to America.

The shift of production to Honda's plants in Ohio is part of a long-range plan that has been accelerated by the rise in the yen, which has made it difficult to sell Japanese-made automobiles abroad.

Large numbers of Japanese companies are moving production outside Japan to cope with the rising yen and to ease trade tensions. But the Honda spokesman, Shin Tanaka, said over the weekend that he believed Honda would be the first Japanese company to supply the American market for particular models completely from its American factories.

The United States and Japan will begin trade talks in Hawaii this week on automobiles and automobile parts, part of a framework agreement on trade signed by the two nations in July. A top Japanese negotiator suggested Friday that Japan would cite the problems of its automobile industry in resisting American demands for numerical targets to be set on reducing Japan's trade surplus.

Honda already makes most of the roughly 400,000 Accords and 250,000 Civics it sells in the United States at its Marysville and East Liberty, Ohio, factories. Only about 60,000 Accords and 20,000 Civics were exported from Japan in 1992, Mr. Tanaka said.

Under the new plan, production of Civics will be completely shifted to Ohio by April 1994 and Accord production by March 1996. Pro-

See AUTOS, Page 13

Currency Union for Few? Some Urge 'Fast-Track' Group in EC

By Tom Buerkle
International Herald Tribune

PARIS — The new controversy in Europe about capital controls is likely to increase pressure for a handful of countries to jump to a single currency as the only way to avoid recurring monetary crises.

The latest flap showed that European Community leaders remained deeply divided about the prospects for economic and monetary union just one month before a special summit meeting that

was called to celebrate the blueprint for achieving a single currency, the Maastricht treaty on European Union.

But there is one point on which nearly everyone concerned agreed: a continuation of the currency instability of the past year would threaten the Community's single market for goods and services by tempting members to resort to competitive devaluations.

"You can't have a single market without currency stability," said Stanley Crossick, director of the Belmont European Policy Center in Brussels. "In the long term, the solution is monetary union."

That solution is looking further away all the time, however. The deep recession has seriously damaged the prospect that EC members can meet Maastricht's single-currency criteria of low inflation and low budget deficits, and Germany's policy of high interest rates in the meantime has strained European cooperation.

In these circumstances, Mr. Crossick said, the only way to renew the single-currency drive is by "a fast-track monetary union with a limited num-

ber of partners," such as Germany, France, the Netherlands, Belgium and Luxembourg.

The political will for such a leap is not evident yet, though, given the divisions within Europe. Jacques Delors, the president of the EC Commission, the community's executive body, triggered the controversy last week by urging members to consider reimposing controls on the flow of capital in world markets.

But that call was quickly repudiated by one of Mr. Delors's own colleagues, Economics Commissioner Henning Christophersen. In an era when \$1 trillion stashes around the world's markets daily seeking the best returns, the prospect of controls would only send investors fleeing from Europe, he said.

There is considerable sympathy for Mr. Delors's viewpoint after a year in which waves of speculative selling drove Britain and Italy out of Europe's exchange-rate mechanism, imposed repeated devaluations on Spain and finally forced even France and Belgium to abandon close links to the Deutsche mark.

Echoing statements made by various French politicians, Foreign Minister Willy Claes of Belgium blamed the breakdown of the exchange-rate mechanism almost two months ago on an "Anglo-Saxon conspiracy."

Even Wilhelm Nölling, a former director of the Bundesbank, an institution not known for fighting market forces, said at a conference in Brussels last week that it was "time to reconsider whether the complete, 100 percent free movement of capital is

See CURRENCY, Page 14

World Bank Wary on Loans To East Europe

Compiled by Our Staff From Dispatches
WASHINGTON — The World Bank said Sunday it would raise its provisions for bad loans as it concentrates its lending on Eastern Europe and the former Soviet Union.

In its annual report, the World Bank said it would provide \$24 billion to \$27 billion of loans in the current fiscal year, which ends June 30, up from \$23.7 billion last year. It is increasing its ratio of reserves to loans, which acts as an overall cushion against unexpected losses, to 13 percent or 14 percent from its fiscal 1993 level of 12.8 percent.

A World Bank official called this a conservative measure taken to protect bank safety, not a sign of problems. "We are realistic. We are going into uncharted territory and anything could happen," she said.

Already the bank faces a rising number of problem loans from the former Yugoslav republics, several of which are engulfed in wars. A halt in their debt repayments in fiscal 1993 required the World Bank to increase its provisions against loan losses to 3.0 percent of

total loans from 2.5 percent in fiscal 1993 ended June 30.

This set-aside, coupled with a drop in investment earnings as interest rates fell, caused net income to fall to \$1.13 billion last year from \$1.6 billion a year before.

Loan commitments through the main World Bank division, the International Bank for Reconstruction and Development, last fiscal year were \$16.9 billion for 122 projects, up from \$15.2 billion for 122 projects a year earlier. The International Development Agency, which lends to the poorest countries, lent \$6.75 billion for 123 projects.

In 1994, lending should rise to \$17 billion to \$19 billion for IBRD and \$7.4 billion for IDA, the report said. The bank has focused its efforts on Eastern Europe, lending it \$3.8 billion in fiscal 1993, compared with \$2.1 billion in 1992, its largest increase in loans by region.

Other regions receiving more loans were Asia, which borrowed \$8.9 billion, up from \$8.4 billion in 1992; Latin America, \$6.1 billion, up from \$5.6 billion; and the Middle East, \$1.8 billion, up from \$1.4 billion.

In contrast, the bank reduced loans to Africa to \$2.8 billion, down from \$3.9 billion a year earlier.

■ IMF Prods Tokyo, Bonn

A senior International Monetary Fund official urged Japan and Germany on Sunday to cut interest rates to help break the "crisis" gripping the global economy.

The official, who asked not to be identified, said that a "cocktail" of measures probably had to be taken by Japan — both budgetary action and interest rate cuts — although he stressed the latter.

"I hope that the trend toward progressive reductions of interest rates in Germany will continue, as expected by the markets," he said. (Reuters, AFP, AP, UPI)

Time Restructures Magazine Operation

By Deirdre Carmody
New York Times Service

NEW YORK — Time Warner Inc. on Sunday told its magazine unit's staff that it was abandoning a controversial way of selling advertising as part of a cost-cutting reorganization of its publishing sector.

The restructuring also includes the designation of financial specialists as presidents of individual magazines.

The revamping was seen as an admission that seven years of cost-cutting and tinkering with the magazines, since before the takeover of

Warner Communications Inc. by Time Inc. in 1990, had not been enough to adjust to an increasingly competitive environment. Although Time did not reveal large staff cuts, the reorganization is expected to lead to substantial cost reductions that might include layoffs.

The company will go back to separate ad sales staffs for its magazines, which include Time, People, Sports Illustrated and Fortune. In 1991, it had combined the sales forces, with the idea that advertisers with shrinking budgets would

want to spread their purchases among several magazines.

Leo Scullin, president of the Scullin & Co. consulting firm, said: "What they're doing is basically going back to the old structure before they re-engineered it from individual sales into group sales. Nobody was guarding the flame. Nobody was on the street inculcated with the religion of one magazine."

Mr. Scullin pointed out that Time was the only U.S. magazine company that tried the approach. The company is said to be underperforming its industry rivals.

A second change is the redefinition of the roles of the publishers at the magazines. The publishers, some of whose jobs changed into ambassadors for their magazines, will return to Time's traditional role of top salesman. The jobs of regional ad sales directors will be abolished.

Each publisher will report to a magazine president in charge of circulation and financial targets. Thus, the presidents of the magazines fulfill the roles of publishers

See TIME, Page 14

THE TRIB INDEX

International Herald Tribune World Stock Index, composed of 230 Internationally investable stocks from 20 countries, compiled by Bloomberg Business News. Week ending September 17, daily closings, Jan. 1992 = 100.

Index	8/17/93	9/17/93	% Change
World Index	105.00	107.00	+1.90
Asia/Pacific	127.00	128.00	+0.79
Europe	105.00	106.00	+0.95
North America	95.00	96.00	+1.05

Industrial Sectors/Weekend close	8/17/93	9/17/93	% Change
Energy	105.00	107.00	+1.90
Utilities	113.08	114.74	+1.45
Finance	118.43	118.59	+0.13
Services	115.81	117.06	+1.07
Capital Goods	102.99	103.57	+0.57
Raw Materials	104.26	104.95	+0.66
Consumer Goods	90.47	90.82	+0.39
Miscellaneous	110.07	111.84	+1.58

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

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Jakarta Notebook

Stocks: a Turnaround Tale Exchange Now Area's Biggest Gainer

The Jakarta Stock Exchange has bounced back from a prolonged downturn, and analysts say the rally looks set to continue over the next few months.

From being one of the worst-performing markets in the Asia-Pacific region in the last couple of years, the Jakarta exchange has been its best performer so far in 1993.

The benchmark composite index closed slightly higher Friday at 430.56, nearly 57 percent up since the end of 1992, although well below its peak of around 630 in April 1990, when the government put a credit squeeze on an overheated economy. Brokers attribute the market's recent rise to an improvement in economic fundamentals, political stability and the search by institutional investors in the West, particularly large American pension funds, for higher yields in areas considered to have strong growth potential. Indonesia, the world's fourth largest nation, with a population of 185 million, is one such area.

Bank Indonesia, the country's central bank, estimates that the economy will grow 6.3 percent in 1993 after adjustment for inflation of around 9.5 percent.

Bank deposit and lending rates have been trending down, reducing funding costs for listed companies and encouraging local investors to put their money into shares rather than bank deposits.

Indonesia banks now offer three-month deposit rates averaging 12.73 percent, down from 19.2 percent in 1992 and nearly 22 percent in 1991.

Anthony M. Davies, managing director of PT Baring Securities Indonesia, said the market was anticipating corporate earnings growth of around 17.5 percent in 1994, up from 6 percent in 1993.

A number of brokers are predicting that the composite index will break the 450 mark by the end of December as more money flows into what is still a relatively small market, where tradable listed shares are capitalized at around \$16 billion.

Ad Astra per Aspera

PT Astra International, which accounts for 9 percent of the value of the composite index, has been one of the strongest recovery plays. It closed Friday at 17,200 rupiahs (\$8.09), up from 8,500 rupiahs in November 1992.

The company is Indonesia's leading motor vehicle maker, with a 55 percent market share. It also has interests in heavy equipment, financial services, timber, agribusiness and electronics.

Losses at Bank Summa helped to undermine the price of Astra shares in 1992. The bank was owned by the Soeryadjaya family, which founded the Astra group. To repay the bank's depositors, the

family sold 31 percent of Astra in February to a consortium of Indonesian private investors and state-owned banks.

Since then, the price of Astra shares has rebounded. A recent study of the group by a securities firm, PT HG Asia Indonesia, forecasts that Astra's net income will rise to 217 billion rupiahs in 1995 from 130 billion rupiahs in 1993.

HG Asia said that Astra, which has retained its well-regarded management team despite the change of ownership, is considering a rights issue for 1994 to reduce its debt.

Competing for Countdown

European and American companies are preparing bids for what is expected to be a tough fight to win the right to launch the second of a new generation of American-made communication satellites for Indonesia.

Indonesia, which had its first American satellite placed in orbit in 1976, operates three satellites that cover much of Southeast Asia. They provide telephone and television broadcast services to both domestic and foreign customers.

Arianespace, the European launch consortium, beat General Dynamics Corp. of the United States when it signed a contract last month to launch the Palapa C1 in mid-1995 for PT Satelindo, a company formed early this year to take control of the Indonesian regional satellite system. The launch contract is worth about \$70 million.

Charles Bigot, chairman and chief executive of Arianespace, said in Jakarta on Friday that the European consortium would bid to launch the Palapa C2 satellite and the third in the series if Indonesia confirmed its option to buy the spacecraft.

All previous Indonesian launches were won by the United States. General Dynamics is expected to bid for the Palapa C2 launch, which will take place sometime between early 1996 and 1999, depending on the outcome of the C1 launch.

Analysts said a joint venture between Lockheed Corp. of the United States and Khrunichev-Georgi International of Russia is also likely to bid for the C2 launch. The joint venture was formed in December to market Russia's Proton rocket internationally.

Analysts said that Arianespace had formed business ties with the governments of Russia and Kazakhstan, the site of the Baikonur Cosmodrome, that might also allow it to offer a Proton rocket launch to Indonesia. Proton launches would be somewhat cheaper than a direct Arianespace service.

Michael Richardson

Kuwait Seeks a Quota Rise

Compiled by Our Staff From Dispatches
KUWAIT — In a determined mood ahead of next weekend's OPEC meeting, Kuwait on Sunday affirmed its demand that the oil producers group approve a 30 percent increase in the country's output quota for the fourth quarter.

Oil Minister Ali Ahmed Baghli also called for a rise in the Organization of Petroleum Exporting Countries' total quota for the fourth quarter, to between 24.5 million and 24.7 million barrels a day from 23.6 million, the official Kuwait News Agency reported.

"We hope an agreement will be reached regarding Kuwait's quota in the next OPEC meeting according to our just demands, which are known by OPEC," Mr. Baghli was quoted as saying.

Mr. Baghli, who has long sought an output ceiling of about 2.16 million barrels a day for Kuwait, said he would pursue that goal at the OPEC talks in Geneva on Saturday.

Kuwait opted out of OPEC's third-quarter agreement, which had sought to limit its output to 1.6 million barrels a day. Mr. Baghli suggested that Kuwait had already carried out a plan to raise output to 2.16 million barrels a day this month from 2.0 million in August.

Other officials also have suggested raising the group's output in the fourth quarter. (Reuters, AFP)

H.K. 'Concerned' About Allied

Compiled by Our Staff From Dispatches

HONG KONG — Financial Secretary Hamish Macleod said over the weekend that a report commissioned by the government on Allied Group Ltd. and related firms had revealed commercial and corporate conduct that was "cause for serious concern."

The real estate, manufacturing and finance concern responded angrily, saying Saturday it had received the 1,000-page document less than an hour before an abridged version had been made public and charging that the government had sought to make it difficult to respond.

The report, by an inspector appointed by Mr. Macleod, was released three days after the Commercial Crime Bureau had raided offices of several companies in a police investigation of Allied.

The abridged version said that

Allied, which is controlled by the Malaysian-Chinese businessman

Leo Ling-tee, had failed to disclose many transactions and had not sought approval of minority shareholders for transactions as required by Hong Kong regulations.

The inspector, Nicholas Allen, said Allied executives had used a bank incorporated in the Cook Islands to disguise acquisitions of shares in Allied companies.

He also outlined charges of fictitious transactions, the making of unsecured loans to associated companies, the evasion of takeover rules and the transfer of assets between public and private companies at values unfair to minority shareholders.

Hong Kong's acting secretary for financial services, Tam Wing-ping, said the report was a fact-finding exercise and that authorities would still have to decide whether to take

any action against the company on the basis of its findings.

He said there were substantial amounts of money involved in some of the transactions, including 900 million Hong Kong dollars (\$116.4 million) of deposits invested with the Cook Islands bank. "There seem to be large sums of money unaccounted for, or what we call stripping of assets, moving profitable assets from one company to another," he said.

Allied Group's chief executive, Brian O'Connor, blasted the officials for airing the report before the company had had time to read it.

"There is no doubt in my mind that the government has chosen to make things as difficult as possible for Allied," he said.

He declined to comment on the contents of the report, saying he had not had time to study it. (Reuters, Bloomberg)

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AMSTERDAM DEPOSITORY COMPANY N.V.
Amsterdam, 15 September 1993.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Sept. 17.

Main table containing OTC Consolidated trading data for various companies, including columns for Sales, High, Low, Close, and Net Change.

ESORTS & GUIDES

Advertisement for BELGRAVIA ORCHIDS, BELLE EPOCH THE ESCORT SERVICE, and MERCEDES LONDON ESCORT AGENCY.

INTERNATIONAL CLASSIFIED

Advertisement for LONDON BRAZILIAN Escort Service, GENEVA PARIS, and other international services.

Advertisement for INTERNATIONAL ESCORTS, featuring services in Frankfurt, Zurich, Geneva, and London.

Table with columns labeled M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, containing various data points.

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New International Bond Issues

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price, and Terms. Includes Floating Rate Notes and Fixed-Coupons sections.

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price, and Terms. Includes Equity-Linked section.

MARKETS: Cooling-Off Period Viewed as a Tonic

Continued from Page 11. Market analysis discussing the cooling-off period and its impact on bond markets and investor sentiment.

AUTOS: Honda to Make More Civics, Accords in U.S.

Continued from Page 11. News report on Honda's plans to increase production of Civic and Accord models in the U.S. market.

Yield Gap Bites Into Dollar Positions

Even Bulls Lose Patience With Stingy Returns

By Carl Gewirtz. Analysis of the yield gap and its impact on dollar positions and investor behavior.

Inflation Surfaces To Unsettle Markets

Compiled by Our Staff From Dispatches. Analysis of inflation's impact on market stability and investor confidence.

MUTUAL FUNDS

Table of mutual fund performance metrics including fund names, assets, and returns.

Last Week's Markets

Table showing market performance for various indices and currencies over the last week.

Euromarkets At a Glance

Table providing a snapshot of Euromarkets, including interest rates and market indicators.

Weekly Sales

Table detailing weekly sales figures for various products and services.

Labor Rates

Table showing labor rates and trends across different regions and sectors.

Mitsubishi Distressed in Hawaii Hotel Sale

By Jeanne B. Pinder. News report on Mitsubishi's financial distress and its impact on a hotel sale in Hawaii.

The Week Ahead: World Economic Calendar, Sept. 20-25

Calendar of world economic events from Sept. 20 to 25, including trade talks, conferences, and market movements.



Additional text related to the week ahead calendar, providing context for the listed events.

Advertisement for Currency and Capital Market Services, featuring contact information and service offerings.

Advertisement for 'The fragile Middle East peace' and 'A new peace plan for Bosnia', including subscription details.

Table of exchange rates for various countries and currencies, including the US Dollar, Euro, and others.

Advertisement for BusinessWeek magazine, including subscription information and contact details.

Handwritten text at the bottom of the page: 'سكوا من الأصل'.

WORLD STOCKS IN REVIEW

Amsterdam

The market focused on economic indicators last week, as a stable dollar and lower interest rates failed to prevent a moderate fall. The CBS All-Share Index closed at 240.70 points, down from 242.40 the previous week. Distribution company Frans Maas announced a sharp drop in half-year profit, causing its shares to shed 10 percent over the week to close at 39.60 guilders. Brokers Kempen & Co. said they expected no major shift in key economic factors and predicted shares would be stable this week.

Frankfurt

The market featured uncertainty and nervousness, traders said, but it managed a small gain all the same. The DAX Index ended at 1,831.99, up 1.1 percent. But its gain was entirely due to a surge of 1.42 percent Friday that traders said had come mostly from technical factors such as the expiration of options for September. Commerzbank said traders and investors had adopted a "wait-and-see" attitude because of the depressed German economy. It said the market would not be supported this week by hopes of lower interest rates, as the Bundesbank had eased rates just days ago. Daimler-Benz advanced 10.50 Deutsche marks on the week to end at 721.50. The group announced a first-half loss of 949 million DM and said it would cut more than 40,000 jobs this year and next. The stock was helped by its impending Wall Street listing and the restructuring measures.

Deutsche Bank also gained 10.50 to finish at 773.50. On Friday, the bank announced a plan to cut its stake in Daimler from 28 percent to 25 percent, a step that should bring it considerable cash. Dresdner Bank gained 1.50 Friday to end at 407.50, but Commerzbank lost 4.50 to 304.

Hong Kong

Prices slid amid fresh concern about Chinese-British relations and renewed publicity about an investigation into a listed company. The Hang Seng Index tumbled 175.34, or 2.31 percent, to finish Thursday at 7,418.11, more than wiping out the preceding week's gain of 81.32. The market was closed Friday because of a tropical storm. Volume during the week was low, averaging 2.79 billion Hong Kong dollars. The average fell 70.66 points Thursday as police searched for faces connected with Allied Group Ltd., which has been under investigation for alleged financial irregularities for 13 months.

London

Share prices fell back for the third week in a row, hit by poor economic indicators, but steadied toward the end of the week to close with the Financial Times-Stock Exchange 100-Share Index just above 3,000. The index fell 31.5 points or 1 percent from the previous Friday to end at 3,005.5. News of a rise in annual inflation to 1.7 percent in August from 1.4 percent in July

and a meager 0.1 percent rise in retail sales disappointed dealers. Unemployment climbed by 5,800 in August, the second consecutive monthly rise after a five-month fall. British Aerospace lost 19 pence on the week to 408 despite a return to profit to the first half, as investors focused on the cautious comments made by the company's chairman about its outlook. Mirror Group Newspapers gained 3 to 181 after announcing a fourfold increase in profit and the planned sale of a majority stake.

Milan

The Mibtel Index fell 2.31 percent last week to close at 10,350 points in a week of nervous trading and instability. Flotations worth 1,800 billion lira—nearly 10 percent of the total—plus unfounded rumors of a refinancing of Fiat and the weakness of the lira kept the market dominated by sell orders.

Paris

The Bourse suffered its heaviest fall in a year at midweek before recovering slightly, encouraged by a stronger dollar and data indicating the economy had stabilized in the second quarter. After a fortnight of consolidation the CAC 40 Index gained 1.15 percent Friday to close at 2,099.5. That left the market up 13 percent since the beginning of the year, compared with 20 percent at the end of August. But traders said the midweek setback

should not dampen market enthusiasm for the coming round of privatizations planned by France's conservative government.

Singapore

The Straits Times Industrial Index gained 9.59 points to 2,008.38, while the stock exchange's broader All-Singapore Index gained 4.04 points to 517.01. Malaysian issues dominated trading on a spate of rumors that some companies had won major contracts. Some of them recorded gains of more than 10 percent.

Tokyo

Share prices fell in a holiday-shortened week marked by dwindling expectations of results from the government's new economic stimulus package. The Nikkei Stock Average of 225 issues lost 2.1 percent, or 426.94 points, to 20,391.04. Volume on the major board averaged 285.8 million shares, down from the previous week's 322.6 million shares.

Zurich

Shares rose in quiet trading linked to the fortunes of the dollar. The Swiss Performance Index closed the week at 1,513.4, up 0.8 percent, with daily volume below 1 billion Swiss francs. Nestlé rose 4 francs to 1,057, but the weak dollar forced down chemical shares, with Ciba-Geigy falling 42 to 674.

Gulf States Weigh Stock Market Link

AGENCE FRANCE PRESSE ABU DHABI — Three Arab states in the Gulf region are discussing linking their stock markets as part of a plan to create a joint exchange, an official of one was quoted on Saturday as saying. Bahrain, Kuwait and Oman, the only countries in the region with official trading floors, have been in touch on opening up their markets to one another, Hassan Nisif, Bahrain's trade and agriculture undersecretary, said. But he said a joint stock market, as called for in an economic agreement made in 1982 by the Gulf Cooperation Council, would take time because there were as yet no formal stock exchanges in the other three GCC members — Saudi Arabia, Qatar and the United Arab Emirates. "Setting up a joint stock market is the most difficult task for the GCC because some members are still strongly opposed to opening their markets to nonnationals," a Gulf dealer said.

SHORT COVER

Cocoa Group to Sell Beans

LONDON (Reuters) — The International Cocoa Organization decided late Saturday to sell its 230,000 metric ton stockpile of cocoa beans, collected under previous efforts to boost prices. The group plans to sell at least 51,000 tons of beans a year, in equal monthly installments whittling down its holding within 4.5 years. Cocoa is trading at \$903 a ton (\$1,383.40), up from \$509 last year.

Volkswagen Move Raises Czech Ire

PRAGUE (Reuters) — Czech officials responded negatively to Volkswagen AG's decision to cancel last week a 1.4 billion Deutsche mark (\$867.1 million) financing for its Skoda subsidiary, according to weekend media reports. Tomas Jizek, chairman of the Czech National Property Fund, which holds a 69 percent stake in Skoda, said Volkswagen "had to admit" its financial plan for the unit, which it owns 31 percent, was badly designed. "It is an unfavorable signal for the future," Finance Minister Ivan Kocornik told Czech television after he was informed of the cancellation.

Soho Magnate Tops British Rich List

LONDON (AP) — Britain's richest person is Paul Raymond, who built a £1.5-billion (\$2.30 billion) fortune on property in London's Soho district and by publishing pornographic magazines, Business Age magazine said Sunday. Following Mr. Raymond were the retailer David Sainsbury, with £1.42 billion; Viscount Rothermere, the publisher, with £1.2 billion and Sir Evelyn Rothschild, a banker, with £1.1 billion. Entertainment figures were prominent on the list. Paul McCartney, with an estimated wealth of £420 million, was the 11th-highest overall. Queen Elizabeth's fortune was estimated at £150 million, putting her in 57th place.

Tanzanian Central Bank to Idle 1,000

DAR ES SALAAM, Tanzania (AFP) — Tanzania's central bank is to lay off 1,000 of its 1,700-strong work force, sources said Saturday. Sources at the Bank of Tanzania said the move was an effort by the new governor, Idris Rashid, to institute efficiency and raise productivity following reforms of the centrally planned economy. Retirement payments to those who voluntarily resign will be higher than for workers who remain. The Co-operative & Rural Development Bank, also state-owned, is due to lay off 600 of its 1,640 employees, also to boost efficiency.

Slow Trains Imperil China Exchange

BEIJING (AP) — The nine-month-old Shanghai Coal Exchange may have to close because China's overburdened railway system is not making coal deliveries on time, the China Daily's Business Weekly said Sunday. The official newspaper said only 30 percent of coal purchased on the exchange has been delivered, and clients are losing confidence. Transactions halted from May 25 through June 30.

For the Record

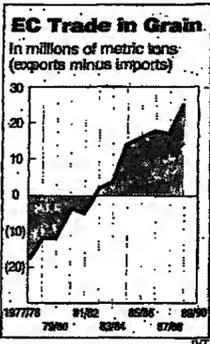
Switzerland, worried like most other Western nations about rising health-care costs, is planning to slash prices on drugs, the Sunday newspaper SonntagsZeitung reported. (Reuters) The Stock Exchange of Singapore said Sunday it would extend trading by 2.5 hours a day because of increasing investments from abroad. (AP) African countries will establish a bank to finance trade under an initiative by the African Development Bank. The Afrexim Bank will have \$750 million of capital. (AFP)

GATT: Unyielding France Fans Fires in Trade Dispute

Continued from Page 1 Under the auspices of the General Agreement on Tariffs and Trade. The basic French position, as expressed by Agriculture Minister Jean Pouch last week, is that Europe must preserve its "vocation" as a farm exporter. That rules the United States, where grain exports have been essentially flat for the last 15 years. "In terms of world market share, we've really taken it on the chin," a U.S. official said. "The Europeans have gained. Now that they've made these gains, they want to lock in that market share." Bridging the gap between the two sides will not be easy, but it is essential if the Uruguay Round — which most economists regard as the best hope of reviving the world economy — is to be concluded by its latest deadline, Dec. 15. Trans-Atlantic farm differences caused the talks to break down on the eve of the first deadline in 1990, and after two extensions there will be little political will to try again if the talks fail. Negotiators contend that sweeping tariff reductions in other goods and services can be concluded quickly as the deadline approaches following a formula agreed upon by the United States, the EC, Japan

and Canada in July. But nobody will offer concessions on semiconductors, pharmaceuticals, banking or other areas as long as farm trade is seen to be deadlocked. Yet a deadlock is likely if France persuades EC foreign and agriculture ministers on Monday to demand a reopening of negotiations on Blair House. President Bill Clinton ruled out any renegotiation last week. "There is not much flexibility," said a senior EC official. The best prospect, the official said, is that Paris will be content with promises to seek a favorable interpretation of Blair House's details without junking the accord itself. That would allow both sides to leave the tough farm issues until the endgame of the GATT talks, when the benefits of the wider trade package may make it easier to compromise on agriculture. The French government's main aim is to stretch out the impact of the Blair House pact's cuts, which would fall most heavily in the first year; exempt Europe's huge inventories and food aid from the cuts; make the pact's cuts and minimum imports apply to farm trade overall rather than each category, a move that could spare Europe pain to grains and meat; and lengthen the pact's peace clause

that bars Washington from challenging EC farm programs. Publicly at least, the United States has not indicated any flexibility on those points. France's strongest argument for change is a contention that Blair House would require deeper cuts than the already-agreed reform of the EC's Common Agriculture Policy. This gained credence following the EC currency crises of the past year. The EC Commission, which negotiated Blair House and still defends it, conceded last week that devaluations by Britain, Italy and Spain will encourage farmers there to increase production because EC price supports are paid in European currency units. But resolving that should be a matter for internal EC adjustments rather than talks with Washington. Ironically, both Blair House and the EC's own internal farm reforms, which will phase out high guaranteed farm prices and substitute direct income supports to farmers, should end up favoring French farmers over most other Europeans. The cost of production for French wheat farmers, for example, are only about 15 percent higher than U.S. levels, Mr. Murphy said. Only Britain, which grows much less wheat, has lower costs.



As a result the EC reforms should hit harder on higher-cost farmers in Germany and elsewhere, he said. France faces the biggest cuts because it provides two-thirds of EC grain exports, he said, but "the French will still have the lion's share in terms of exports."

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TIME: Shifts at Magazine Unit

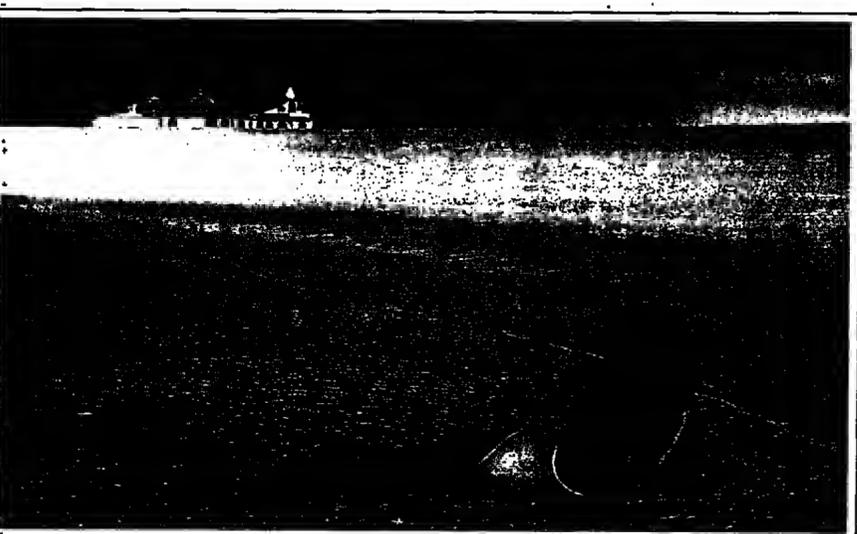
Continued from Page 11 at most other companies, while the publishers function as advertising managers. The financial targets were not specified, but they were said to be "ambitious." Despite widespread fears among editors and middle managers, the company did not announce across-the-board layoffs. Despite the shuffling of job titles and responsibilities, only two executives were said to be leaving the company immediately. Jason McManus, Time's editor-in-chief, and other executives repeatedly pointed out to employees that the company was not creating a special reserve for restructuring. In 1991, when it did institute layoffs, such a reserve was created. That does not mean that serious belt tightening is no longer on the agenda. The message from management was that instead of a bloodletting now, the leeches will be applied slowly but surely and they will be applied by the magazines themselves. "We were told that the presidents and publishers would get their marching order to stay inside their numbers, whether by cutting paper clips or people," said one executive at Time Inc., the magazine unit. Reaction among writers and publishing executives was a mixture of relief and uncertainty over what exactly

the new regime would mean for people at the magazines. "There was relief that nothing horrible is going to happen," said a magazine editor. Another editor said it was good the management saw the need for change, but added that it did not provide sufficient details. ■ Turner Studies Bid Ted Turner, chairman of the Turner Broadcasting System Inc., is exploring ways to become involved in a bid for Paramount Communications Inc., according to two executives close to Mr. Turner, Geraldine Fabrikant of the New York Times reported. Paramount last week accepted an \$8 billion takeover offer from Viacom Inc.

CURRENCY: 'Fast-Track' Unity for a Few in EC?

Continued from Page 11 indeed necessary for the efficient running of markets or desirable in its net effects." As far as most players in the financial markets are concerned, however, a return to the type of controls on capital flows that prevailed in most parts of Europe until the 1980s would be impractical in today's trading environment. "We've spread our money across different markets, and controls would present a fundamental change of thinking," Ian Donald, bond fund manager at Lazard In-

vestors, told Bloomberg Business News. "These governments want their budget deficits funded by the international investor, and we wouldn't be able to do that with controls." The only serious plans to revive the momentum toward a single currency to ways that accept the power of today's markets call for central banks of member countries to pool their currency reserves. Such an idea, which has been discussed among senior officials in recent months, would force members to link their monetary policies even more closely and give much greater weight to their ability to intervene in the currency markets. Such a step would involve a big loss of national sovereignty, though. As it is, the departing head of the Bundesbank, Helmut Schlesinger, last week dismissed a more limited proposal for getting the Maastricht single-currency plan back on track. Mr. Schlesinger rejected a plan offered by leaders in the European Parliament to revive the exchange-rate mechanism by creating a "hard European currency unit" to act as a second anchor alongside the mark.



Be sure to stay warm this winter.

Over the years, the Canary Islands' climate of "eternal spring" has excited the desert island fantasies of many visitors. Columbus included. He wintered quite happily on Gran Canaria contemplating the New World. An aboriginal name of discovery away to the west lies Tenerife. Another short hop to the east had... More easterly and yet more unusual is the island of Lanzarote. And as the islands get smaller, their appeal and diversity show no signs of diminishing. There's La Palma... The almost circular Gomera. And Hierro, island of ash cones. Each one offering a warm... to all life's explorers. From January to December.



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MONDAY SPORTS

OLYMPICS

China Says Its Athletes Will Go to Atlanta Games



Police walled off some of the 15,000 people who marched in Berlin to protest the German capital's bid for the Games.

SIDELINES

Manchester and Marseille Triumph

LONDON (Reuters) — A thumping free-kick Sunday by Eric Cantona gave Manchester United a 1-0 victory over title rival Arsenal that put United clear at the top of the English Premier League.

The Frenchman blasted the free-kick from 30 meters between the defensive wall and diving goalkeeper David Seaman for his fourth goal of the season seven minutes before halftime in a fiercely fought top-of-the-standings match.

Marseille cast aside its troubles and romped to a 3-1 victory over weakened pace-setter Bordeaux to take a share of the lead in the French first division on Saturday.

Tapie Denies UEFA Official's Charge

ZURICH (Combined Dispatches) — Olympique Marseille owner Bernard Tapie was paid "a princely sum" to drop the lawsuit that got his team temporarily reinstated in the European Cup, UEFA's general secretary, Gerhard Aigner, has been quoted as saying.

Aigner, in an interview with the Neue Zuercher Zeitung newspaper, said, "He likely received huge sums, certainly much more than if he had taken part in the European Cup." Asked who might have paid Tapie, Aigner said, "Only this: It appears Tapie also took his case to the French government."

Tapie, responding Sunday, said that "Olympique Marseille has not received a penny for withdrawing its complaint." (AP, AFP)

Japanese Sets 20,000-Meter Record

AMAGASAKI, Japan (AP) — Japan's Izumi Maki broke the 10-year-old world record in the women's 20,000-meter run on Sunday, finishing in 1 hour, 6 minutes, 48.8 seconds.

Rosa Mota of Portugal had set the mark of 1:06:55.5 in Lisbon in May 1983. The event, not a regular part of major athletic meets, was included in a special meet arranged to help Japanese middle- and long-distance women runners break national records.

For the Record

UEFA made Israel a provisional member Sunday at its executive committee meeting in Limassol, Cyprus. The decision must be approved by a congress of all UEFA members, but this is considered a formality. Israel entered its first clubs in the European tournaments last season.

Diego Maradona was left off Argentina's national team roster for a two-game series with Australia that will determine which country plays in the World Cup.

The Colorado Rockies broke the major leagues' season attendance mark Friday when a crowd of 56,679 gave them a total of 4,054,587; the Toronto Blue Jays had drawn 4,028,318 last year en route to winning the World Series.

Davis Cup drug testing will be introduced at all series beginning in 1994, the ITF announced. It also formalized plans to run the women's Federation Cup as a year-long playoff beginning in 1995.

Vintage Crop, sent off at 9-2 under Michael Kinane, won the Irish St. Leger by 2 1/2 lengths over last year's winner, Assessor, Foresee was another neck back.

Mehmet Akif Pirim of Turkey, the 62-kilogram Olympic champion, was banned for four years by the international wrestling federation after testing positive for a performance-enhancing drug earlier this year.

Ricardo López of Mexico retained his WBC strawweight title by stopping Toto Pongswang of Thailand in the 11th round of the fight in Bangkok.

Quotable

Blackie Sherrod, the Dallas Morning News columnist: "Boxer Julio César Chávez set his family was so poor, the kids ate boiled weeds. Heck, so did everybody, only mama called it spinach."

Sports, Palestinians Added for '96

MONTE CARLO — Beach volleyball, women's soccer and mountain biking have been added to the program for the 1996 Summer Olympics in Atlanta.

The IOC executive board also granted provisional recognition to the Palestine national Olympic committee, clearing the way for a Palestinian team to compete in 1996, while Atlanta organizers were given approval to hold the opening ceremony the night before the start of the competition rather than on the same day.

The decisions were reached Saturday by the IOC's executive board and will go before the full IOC session for formal approval this week.

The IOC's sports director, Gilbert Felli, said women's soccer had been approved as a permanent Olympic event, with eight teams competing in Atlanta.

"It's a general policy of the IOC to catch up with the ladies and have equality for men and women in the Olympic program," Felli said.

Beach volleyball, played with teams of two rather than six, was approved on a provisional basis for the 1996 Games. The competition will be held in Savannah, with 24 men's teams and 16 women's teams.

Approval for women's soccer and beach volleyball had been widely expected, but the addition of mountain biking was a surprise, Felli said. 40 men and 40 women would compete in cross-country races.

"It's an upcoming sport and it's very strong in the United States," he said.

Several changes were made in the cycling events. The men's 100-kilometer team time trial event was scrapped, while the IOC added individual road time trial races for men and women and a women's points track event.

The inclusion of the women's triple jump followed its debut at this year's world athletics championships in Stuttgart.

Taking into account the additional events, Felli said the IOC remained confident of keeping to within the limit of 10,000 athletes for Atlanta.

Bob Brennan, a spokesman for the Atlanta organizing committee, said a record 3,600 women athletes were expected to compete in 1996. There were some 3,000 women athletes in 1992 in Barcelona.

The executive board approved moving the opening ceremony from Saturday, July 20, to the evening of Friday, July 19. The sports competition itself will start on Saturday and run for 16 days.

The change will give Atlanta an extra night of prime-time television programming. NBC recently acquired the TV rights for \$456 million.

Felli said the move will also make it easier to fit all the events into the 16-day program and allow for flexibility in case of rain or other weather problems. About 12 sports will start competition Saturday.

The IOC's director general, François Carrard said the Palestinian decision was reached after confirmation was received that the Palestinian committee had headquarters in Jericho.

"A number of technicalities must be put in place, but this decision means the athletes of Palestine will be able to participate in all the next Olympic Games," Carrard said.

"The recent agreements between the PLO and Israel are a very substantial addition to this recognition by the international community," Carrard said.

Asked how the recognition could be justified in light of the massacre of Israeli athletes by Palestinian gunmen at the 1972 Munich Olympics, Carrard replied, "There were very black moments for the history of Olympism in 1972. But we are in 1993. The times, the men and the people have changed. The national Olympic committee of Palestine now in place can certainly not be held responsible for what took place 20 years ago."

Provisional recognition was also granted to national Olympic committees from Burundi, Cape Verde, the Comoros Islands, Sao Tome and Principe, Dominica, St. Kitts and Nevis, and St. Lucia.

That brought to 194 the number of national Olympic committees recognized by the IOC. (AP, Reuters)

Compiled by Our Staff From Dispatches

MONTE CARLO — Debates over whether Beijing was gaining ground or had lost a step in the race to stage the 2000 Olympics were as numerous Sunday as yachts in the harbor here after Chinese officials, seeking to repair the possible damage to their Olympic bid, had given assurances that the national team would take part in the 1996 Games in Atlanta.

The statements were intended to end the controversy caused when Chinese officials seemed to suggest that they could renounce their bid to host the 2000 Games in Beijing in protest of U.S. congressional opposition to Beijing's bid for the 2000 Games.

Beijing and Sydney are, by most accounts, the favorites in the five-city competition that also involves Berlin, Istanbul and Manchester, England. It will be decided Thursday in a secret ballot by the International Olympic Committee, with Western criticism of China's human-rights record having emerged as a major issue.

But if the Chinese were hoping to achieve some measure of damage control, they had been less successful than their women distance runners in recent weeks.

Neither did Beijing do itself a favor at a news conference on Sunday with an apparently dismissive response by the Chinese sports minister, Wu Shaoyun, to a question about the release of Wei Jingsheng, China's best-known political prisoner.

China has denied that releasing Mr. Wei and a number of other dissidents was timed to promote the Olympic bid. But asked to comment on the timing of Mr. Wei's release, six months short of the end of his 15-year sentence, Mr. Wu responded, "Perhaps it was a coincidence."

Zhang Baifa, chief executive of the Beijing bid committee, was quoted Friday in an Australian television interview as saying, "If Congress can pass a resolution objecting to our bid for the 2000 Olympics, we could, frankly, boycott their Atlanta Games in 1996. If our bid fails, we could write to Congress to protest about their interference and justifying our revenge."

Then, in a statement released Saturday through the official Xinhua news agency, Zhang said the reported comment was incorrect.

"An American friend told me that you have every reason to boycott the Atlanta Olympic Games, but I said that China sticks to its firm position that it fully supports the Olympic movement, and therefore will not do that," Xinhua quoted him as saying.

Chinese officials held a news conference later to clarify the position of He Zhenliang, head of the Chinese Olympic committee and an IOC vice president. On Friday, he ruled out a boycott but repeatedly refused to guarantee that China's athletes would actually go to Atlanta — apparently leaving the door open for China to stay away while citing another pretext.

Any threat — direct or indirect — of a boycott would be viewed with alarm by the IOC in the wake of the 1980 and 1984 boycotts led by the United States and Soviet Union.

In a statement read on his behalf Saturday, he finally said the magic words: "The Chinese Olympic committee and the Chinese athletes will be in Atlanta for the centennial Olympics," he said. "The Chinese athletes will do their best to win the most medals possible in Atlanta."

He issued a similar written statement to the media and clarified his stand to the IOC executive board.

"Mr. He made it absolutely clear," said the IOC's director general, François Carrard. "He said the question of non-participation does not exist... He said whatever happens China will participate in the 1994 Winter Games in Lillehammer and the 1996 Olympics in Atlanta. For us, it's clear."

Kevin Gosper, an IOC vice president from Australia, said he never thought China would hold out a boycott threat.

"If Beijing was not successful here, there's every indication that they would propose to go again for 2004," he said. "It doesn't make sense not to go for Atlanta, does it?"

The U.S. House of Representatives passed a resolution last month urging rejection of Beijing's bid because of China's human rights record. Sixty U.S. senators have also come out against the bid, as well as British Foreign Secretary Douglas Hurd and the European Parliament.

At Saturday's press conference, officials read a long statement in the name of Vice Premier Li Lanqing, China's highest-ranking official in Monaco.

The statement described the Western political opposition as "flagrant interference in the affairs of the IOC and infringement of the principles of Olympism."

The statement listed several reasons why Beijing was the best choice to stage the Games, stressing among other things that the Summer Olympics have been held 15 times in Europe, once in Australia, only twice in Asia and never in China.

Li's statement noted that China has one-fifth of the world's population, 1.2 billion people, and is eager to open its economy to the rest of the world.

"China's development means more opportunities for the business communities in the world," he said.

While Berlin Olympic committee officials scrambled for votes in Monte Carlo, about 15,000 people marched through the German capital Saturday to protest the city's bid for the Games.

Berlin's mayor, Eberhard Diepgen, said Sunday in Monte Carlo that "opposition is a part of democracy. But the opponents are a small minority." (AP, Reuters)

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Sept. 17.

Table with columns for OTC Consolidated trading for week ended Friday, Sept. 17. Includes sub-sections for OTC, OTCB, OTCM, OTCN, OTCX, OTCY, OTCZ, OTCF, OTCG, OTCI, OTCJ, OTCK, OTCM, OTCN, OTCX, OTCY, OTCZ, OTCF, OTCG, OTCI, OTCJ, OTCK.

Table with columns for NASDAQ National Market. Includes sub-sections for A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table with columns for NASDAQ National Market. Includes sub-sections for AA, AB, AC, AD, AE, AF, AG, AH, AI, AJ, AK, AL, AM, AN, AO, AP, AQ, AR, AS, AT, AU, AV, AW, AX, AY, AZ.

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MONDAY SPORTS GOLF

Woosnam Gives Ryder Cup Mates the Mental Edge

By Ian Thomsen
International Herald Tribune
ST.-NOM-LA-BRETECHE, France — The Europeans held their final scrimmage Sunday before the Ryder Cup, and afterward, the winner, Iain Woosnam of Wales, peered from behind a bronze torso cut off at the neck. It was his new trophy. Smiling, he looked powerful.

"Looking at the form of all the players who played here, it's a good sign for next week," said Woosnam, who shot 5-under-par 65 on Sunday to finish at 13-under overall. "We have nothing to fear. Psychologically, we've got to have the advantage."

It was easy for him to say. He was about to be kissed by Isabella Rossellini. When Woosnam arrived for the award ceremony of the Trophée L'Occident tournament, he found her sitting on a plastic chair upon a lush putting green in a chocolate pantsuit. She held a gigantic check made out to him for

€91,500 (\$137,250). This is every golfer's dream...
"Now, Isabella, I've got an impossible decision to make. Either I hit the best 8-iron of my life or I try to punch with an easy 7. Did I mention the wind was in my face? Well, it was. But I figured with my natural draw I could play it over the bunkers and curl it in using the contour of the green — that's if I could even get the club face on the ball."
"Ian, I find you so fascinating. Here, let me give you a lot of money."
She actually only kissed him on the cheek and posed alongside him and his bronze torso. Still, it was quite the way of sending the Europeans into The Belfry in England, where the biennial Ryder Cup begins Friday. Five of the top six players here will represent their countries against the American contingent.

Woosnam, who has won here in 1987, recalled his team went on to win the Ryder Cup.
"Just two months ago he was worrying about qualifying. He could

not make a putt from his height, and he is only 5 feet 4½ inches (1.62 meters) tall. But he has since begun seeing a sports psychologist, who has told him to be himself, and in his five tournaments since the British Open, Woosnam has finished fourth, second, first, sixth and first.
He watched his playing partner and Ryder teammate, Sam Torrance of Scotland, waste a two-stroke lead on the back nine. They were tied at 12-under as Woosnam launched a ridiculous drive over the distant trees, cheating the dogleg on the par-4 17th.
Torrance, a pencil behind his right ear, then duck-hooked into the trees. He was bogeying away the championship while Woosnam was birdieing from 6 feet.
Woosnam gave credit not only to his psychologist, who has told him to be himself, but also to a new metal-headed driver with an orange graphite shaft.
"If I swing hard, I don't have any control with it," he said. "But if I just

swing it, it goes plenty far enough." If Torrance choked on his lead, he did so gently.
"I lost it," he admitted. But he has enjoyed a wonderful year, and he salvaged the par-3 18th by broomsticking a 30-footer into the back of the hole. He shrugged at first, but as the applause continued he delivered a punch to somebody's imaginary abdomen, probably that of an American.
Behind Torrance's 269 were David Foray of Northern Ireland (who did not make the European team to play at The Belfry), and Barry Lane and Mark James of England (who did) at a joint 270.
Nick Faldo, the world's top-ranked golfer, finished in 66 for 271. "I played nicely," Faldo said. "I had a lot of putts. It's just coming right at the end."
None of this is good news for the Americans, who ought to have thought they were on top of things at the time of Woosnam's misery in July. But two weeks ago, Seve Bal-

lestero revived himself by almost winning the European Masters.
Now there is little to doubt on the European side, with the exception of Ballesteros's Ryder Cup partner, José-María Olazábal.
His 6-over par 286 tied him for 37th, his confidence is "not very good," and he did not rule out the possibility of begging out of the early rounds next weekend. If so, he would be breaking up what the European captain, Bernard Gallacher, calls the best pairing in Ryder Cup history.
"Scoring on the golf course is impossible," he said. "The best players should play the first two days, that's for sure. There's still four days until we have to decide. The way this game is, sometimes two minutes is enough to change everything."
All of this will be reported by Fred Couples to his American teammates when they land on the Craycroft on Monday. Couples was the only American here, and the third-round leader at 10-under. With a

second-place finish last week at the Canadian Open, he too is content with his game, even if he was 4-over in the first seven holes Sunday. He recovered in 71 to tie with Faldo.
"I felt a little uncomfortable," Couples said. "It was not so much nerves. I felt there was a lot going on. I'm not used to having so many people around us on the tee, people shouting things and I don't know what they're saying, and that's about as good an excuse as I can come up with."
But it was good practice for the disconcerting night he might face Friday, when the 12 Americans defend the Cup against the good blessings of Isabella Rossellini.
Frost Leads Hardee's
David Frost of South Africa took a two-shot lead into Sunday's final round of the Hardee's Golf Classic in Coal Valley, Illinois, after he broke away from a three-way tie with D.A. Weir and Dave Barr by shooting 6-under-par 64. Reuzers reported.



Iain Woosnam putting toward victory: "A good sign for next week."

SCOREBOARD

Major League Standings

(Through September 19)

Team	W	L	Pct.	GB
Toronto	85	68	.554	—
New York	83	72	.533	2 1/2
Baltimore	80	74	.519	5 1/2
Boston	76	77	.494	9 1/2
Detroit	74	79	.483	11 1/2
Cleveland	70	83	.450	15 1/2
Chicago	64	89	.418	21 1/2

Team	W	L	Pct.	GB
Chicago	83	64	.565	—
Texas	80	68	.541	3 1/2
New York	77	72	.516	6 1/2
Seattle	75	72	.509	7 1/2
California	68	81	.451	14 1/2
Atlanta	62	87	.416	20 1/2
Oakland	57	92	.381	25 1/2

NATIONAL LEAGUE

Team	W	L	Pct.	GB
Philadelphia	90	58	.608	—
Montreal	85	62	.576	5 1/2
St. Louis	81	66	.552	9 1/2
Chicago	74	73	.503	16 1/2
Pittsburgh	69	79	.466	21 1/2
San Francisco	67	81	.449	23 1/2
New York	59	90	.396	32 1/2

AMERICAN LEAGUE

Team	W	L	Pct.	GB
Toronto	85	68	.554	—
New York	83	72	.533	2 1/2
Baltimore	80	74	.519	5 1/2
Boston	76	77	.494	9 1/2
Detroit	74	79	.483	11 1/2
Cleveland	70	83	.450	15 1/2
Chicago	64	89	.418	21 1/2

INTERNATIONAL LEAGUES

League	Team	W	L	Pct.
NHL	Washington	31	20	.608
	St. Louis	28	23	.550
FLA	Florida	18	10	.643
	Atlanta	15	13	.538

BASEBALL

Team	W	L	Pct.
Philadelphia	90	58	.608
Montreal	85	62	.576
St. Louis	81	66	.552
Chicago	74	73	.503
Pittsburgh	69	79	.466
San Francisco	67	81	.449
New York	59	90	.396

FOOTBALL

Major College Scores

Team 1	Score	Team 2	Score
Alabama	34-14	Georgia	21-14
Florida	31-14	Georgia Tech	24-14
Michigan	31-14	Ohio State	24-14

SOCCER

Major League Scores

Team 1	Score	Team 2	Score
Manchester United	1-0	Arsenal	1-0
Liverpool	1-0	Sheff Wed	1-0
Manchester City	1-0	Sheff Wed	1-0

BASEBALL

Transactions

AMERICAN LEAGUE
 Texas — Released Rick Reed, pitcher, for assignment.
 Montreal — Released Steve Largent, offensive lineman, for assignment.
 Chicago — Released Steve Largent, offensive lineman, for assignment.
 Philadelphia — Released Steve Largent, offensive lineman, for assignment.

BASEBALL

Transactions

NATIONAL LEAGUE
 Philadelphia — Released Steve Largent, offensive lineman, for assignment.
 Montreal — Released Steve Largent, offensive lineman, for assignment.
 Chicago — Released Steve Largent, offensive lineman, for assignment.
 Philadelphia — Released Steve Largent, offensive lineman, for assignment.

Friday's Line Scores

AMERICAN LEAGUE

Team	W	L	Pct.
Toronto	86	69	.556
New York	84	73	.534
Baltimore	81	75	.519
Boston	77	78	.494
Detroit	75	80	.483
Cleveland	71	84	.450
Chicago	65	90	.418

Saturday's Line Scores

AMERICAN LEAGUE

Team	W	L	Pct.
Toronto	87	70	.556
New York	85	74	.534
Baltimore	82	76	.519
Boston	78	79	.494
Detroit	76	81	.483
Cleveland	72	85	.450
Chicago	66	91	.418

Japanese Leagues

Central League

Team	W	L	Pct.
Yokohama	41	24	.628
Yomiuri	38	27	.583
Hiroshima	35	30	.538

CRICKET

THIRD TEST

South Africa vs Sri Lanka, Last Day
 Sri Lanka led by 100 runs with 10 wickets remaining.

SOCCER

DUTCH FIRST DIVISION

Team	W	L	Pct.
Vitesse	18	12	.600
FC Twente	15	15	.500
FC Utrecht	12	18	.400

TENNIS

HONG KONG OPEN

Player	W	L
Marlene Weir	4	1
Caroline Kuhlmann	3	2

TENNIS

BORNEO TOURNAMENT

Player	W	L
Seri Bravura	3	1
David Thompson	2	2

DENNIS THE MENACE



PEANUTS



CALVIN AND HOBBES



WIZARD OF ID



REX MORGAN



GARFIELD



JUMBLE

Unscramble these four American words that start with the same letter. Write the answers in the boxes.

CITOX
 POUCE
 TONBEN
 GOAFER

BEETLE BAILEY



DOONESBURY



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MONDAY SPORTS BASEBALL

Last-Minute Catch Lifts Eagles Past Redskins, 34-31

The Associated Press
Calvin Williams caught eight passes for 181 yards and three touchdowns, including the 10-yard game-winner with 4 seconds left on Sunday as the Eagles edged the Washington Redskins, 34-31, in a National Football League game Philadelphia.

Williams had to share the limelight with a guy used to it, Randall Cunningham, who completed 25 of 39 for 360 yards.

The Eagles trailed 31-27 with 1:54 left when Cunningham started

knocked Detroit quarterback Rodney Peete out with a knee sprain.

Overall, the Saints had five sacks of Peete, who finished 12 of 17 for 99 yards before he was relieved by Andre Ware.

Playing against a Detroit offensive line missing starters Lomas Brown and David Richards, the Saints contained Barry Sanders, who gained 76 yards in 16 carries, 37 of which came on two straight carries in the second quarter.

Giants 20, Rams 10: In East Rutherford, New Jersey, Rodney Hampton carried a career-high 41 times for 134 yards and a touchdown and the Giants shut down the Los Angeles Rams by controlling the ball for 43:29.

The victory was only the Giants' second in their last seven games with Los Angeles (1-2).

Cornerback Mark Collins, who was burned by Jim Everett and Flipper Anderson for a game-winning touchdown in a 1989 playoff game, got a measure of revenge by returning a tipped pass 50 yards for a touchdown.

That gave the Giants a 20-3 lead with 4:32 to play in the third quarter, but it didn't put the Rams away.

Everett hooked up with Anderson on a 51-yard scoring play early in the fourth quarter. The Rams then got a chance to make things closer when Jarrod Bunch lost his second fumble at the Giants' 47.

However, New York's defense, which lost Lawrence Taylor to a hamstring injury late in the third quarter, held Myron Guyton added a late interception to ice the game and leave the Giants undefeated under Coach Dan Reeves.

Steelers 34, Bengals 7: Neil O'Donnell threw his first three touchdowns passes of the season, and Barry Foster ran for 103 yards to awaken Pittsburgh's offense against the winless Bengals in Pittsburgh.

Foster constantly ran over Cincinnati defenders for big yardage in his first 100-yard game this season. O'Donnell finished off the drives with scoring passes to Ernie Mills, Yancey Thigpen and Dwight Stone.

O'Donnell, playing with elbow tendinitis, was 21-of-25 for 189 yards and no interceptions. Stone,



Yankee Don Mattingly let out a cheer after his two-run single with two out in the ninth beat Boston.

Jays Open 4-Game Lead As Yankees Fall to Bosox

The Associated Press
Toronto won its eighth consecutive game and opened a four-game lead in the American League East as Juan Guzman scattered eight hits over eight innings Sunday, leading the Blue Jays over the Twins, 10-0, in Minnesota.

Toronto, which had a team-record nine doubles by eight players, has its largest lead this season, and a five-game advantage in the loss column with 13 games to go. The winning streak is the longest of the season for the Blue Jays.

Guzman (13-3) is 6-0 in 11 starts since July 20. He walked four and struck out four before Dwayne Ward relieved to start the ninth. Guzman also tied Jack Morris' 1987 AL record with his 24th wild pitch, putting Dave Winfield on third with one out in the fourth. But Guzman escaped the jam by getting Scott Stahovik to pop up and Dave McCarty to fly out.

Minnesota, which completed a 1-6 homestand, left 12 men on base and had at least one runner in scoring position in six innings but still was blanked for an AL-high 13th time.

Mike Trombley (5-5) allowed nine hits in 6 2/3 innings, including five of the Blue Jays' doubles.

Red Sox & Yankees 3: Frank Tanana's debut as a Yankee was spoiled by shabby defense and Boston took advantage by winning in New York.

It was a costly loss for the Yankees, who fell four games behind Toronto in the AL East with 12 games left to play. They acquired Tanana from the Mets on Friday hoping for three quality starts. Tanana, 7-16 overall this season, gave it to them against the Red Sox by giving up eight hits and four runs in seven innings.

Danny Darwin (15-11) gave up three hits and one run in six innings for the victory.

John Valentin had three hits and drove in four runs for Boston with an RBI double in the second, a two-run homer in the fifth, giving the Red Sox a 4-1 lead, and a run-scoring single in Boston's four-run eighth.

Innings 12, Tigers 2: Mark Clark took a no-hit bid into the seventh inning and Sam Horn, playing only his second game this season, homered twice and drove in four runs as Cleveland routed the Tigers in Detroit.

Horn, who hadn't homered since July 1, 1992, at Baltimore against Milwaukee, hit a solo shot in the second and a two-run drive in the seventh. Horn led the International League with 38 home runs this season at Charlotte.

Clark (6-4) allowed six hits, struck out six and walked one in 8 1/3 innings. He didn't allow a hit until Scott Livingstone's infield single with one out in the seventh. Clark came off the disabled list Sept. 9 and hadn't allowed a run in 22 innings before Lou Whitaker's RBI double in the ninth.

In games played Saturday: Yankees 4, Red Sox 3: The Yankees, given another chance when a fan ran onto the field as the apparent final out was being made, rallied for three runs in the bottom of the ninth inning, the last two on Don Mattingly's two-out single, to beat Boston in New York.

The Yankees trailed 3-1 in the ninth and had two outs and none on when Mike Gallego was hit by a pitch from Greg Harris. The Red Sox seemed to have it won when pinch-hitter Mike Stanley hit an easy fly ball to left field that was caught, but third-base umpire Tim Welke had called time an instant

earlier when a fan bolted from the box seats toward the field.

Stanley then singled on the next pitch and Wade Boggs followed an infield hit that scored Gallego, making it 3-2. Dion James walked on a full count, bringing up Mattingly.

On Friday, Wade Boggs drove in the go-ahead run with a ground out in the eighth as the Yankees won.

AL ROUNDUP
The Blue Jays continued winning as Pat Hentgen held the Twins to two hits for eight innings, but the Orioles lost when Milwaukee's Cal Eldred pitched a three-hitter for his second major league shutout.

Blue Jays 5, Twins 1: Toronto continued its strong stretch run with its victory over Minnesota behind the solid pitching of Dave Stewart in Minneapolis.

Stewart allowed five hits in 6 2/3 innings and struck out five consecutive batters in one stretch as the Blue Jays won their seventh straight game. Stewart walked two and struck out seven.

Brewers 3, Orioles 0: Baltimore, which lost for the fourth time in five games, dropped five games behind Toronto as rookie Angel Miranda and Jesse Orangel combined on a four-hitter in Milwaukee to

deal the Orioles their second straight shutout.

B. J. Surhoff accounted for all three Brewers' runs on the same play in the third off Jamie Moyer.

Athletics 3, White Sox 2: Bobby Witt settled down after a shaky start to combine with two relievers on a five-hitter as Oakland beat visiting Chicago and suddenly slumping Jack McDowell.

McDowell (21-10), baseball's winningest pitcher, lost his third straight decision, giving up eight hits in an eight-inning complete game. He is 0-3 with a 5.94 ERA over his last three starts.

Tigers 7, Indians 6: Eric Davis continued his hot hitting for Detroit with a two-run, game-winning homer in the fourth inning as the Tigers beat visiting Cleveland.

Royals 1, Mariners 0: Kevin Appier pitched a three-hitter for Kansas City to outduel Chris Bosio in Seattle and win his sixth straight decision, stretching his streak to 28 1/2 innings and lowering his league-leading ERA to 2.62.

Rangers 9, Angels 2: In Anaheim, California, Chris James, obtained the day before from Houston, hit two solo homers and Texas closed to within 3 1/2 games of American League West-leading Chicago.

Williams' Homers Lead Giants Past Reds for a Sweep

The Associated Press
Matt Williams hit two more homers, giving him 10 in his last 15 games, and drove in five runs as the San Francisco Giants completed a reinventing weekend sweep of the Reds with a 7-3 victory Sunday in Cincinnati.

The Giants got their 92d victory, the same number as in their 1989 pennant-winning season, and made a U-turn in the National League West race by beating the down-trodden Reds three straight.

San Francisco arrived at Riverfront Stadium with an eight-game losing streak that ended its 123-day stay in first place and left Atlanta take a four-game lead. The Giants outscored the Reds 26-4 over the weekend to end the slide and start making up ground.

On Saturday, the Giants closed to three games as Atlanta lost. The Braves were playing the Mets later Sunday in Atlanta.

Williams, the Giants' hottest hitter in September, hit a three-run homer in the fourth off Bobby Ayala (6-9) to put the Giants ahead to stay. The bumbling Reds handed the Giants another run later in the inning on center fielder Jacob Brumfield's error.

Williams added a two-run homer off Scott Service in the eighth, his 37th of the season.

Scott Sanderson (4-2) struck out seven, allowed four hits over five innings and got away with another multiple-homer game — consecutive solo homers in the fifth by rookie Keith Kessinger and Thomas Howard.

Expos 6, Phillies 5: In Montreal, the Expos, down to their last at-bat against Philadelphia, got a two-out, two-run single from Billy East to the Phillies and kept the NL East.

Cordero's bases-loaded hit off Mitch Williams (3-6) moved Montreal back within four games of the first-place Phillies.

Cardinals 7, Pirates 6: Mark Whiten's two-run, two-out double in the ninth scored pinch-runner Lonnie Maclin and Greg Jefferies to give the Cardinals the victory over Pittsburgh in St. Louis.

St. Louis, which fell behind 6-5 in the top of the ninth on Dave Clark's two-run homer off Mike Perez (7-2), began its rally with Bernard Gilkey's one-out walk. Gilkey was forced at second base by pinch-hitter Todd Zelle but Jefferies walked on four pitches. Whiten followed with a double off reliever Mark Dewey (1-2).

Mariners 2, Cubs 1: In Chicago, Chris Hammond allowed four hits in 7 1/3 innings and drove in a run with a squeeze bunt for Florida.

Padres 6, Astros 3: Phil Plantier hit his 32d home run, leading San Diego over the Astros in Houston and ending the Padres' four-game losing streak.

Andy Ashby (3-9) pitched seven

innings, allowing three runs. He struck out seven and walked none.

In games played Saturday: Mets 3, Braves 2: In Atlanta, the Braves, one out away from another victory, blew a two-run lead in the ninth inning and lost to last-place New York in the 10th on rookie Tito Navarro's first major league hit.

The loss snapped Atlanta's four-game winning streak and trimmed the Braves' lead in the NL West to three games over the Giants. Atlanta entered the game having won 31 of its previous 37 games.

Mike Stanton retired the first two batters in the 10th before giving up a pinch-sling to Darwin.

NL ROUNDUP
Jackson, Jeff McKnight followed, with a single to right, Jackson holding at second, Steve Bedrosian then relieved and Navarro, 0-for-11, since being called up, hit a single to right scoring the go-ahead run.

Giants 6, Reds 1: San Francisco stayed on the rebound as Todd Beuzinger homered twice and John Burkett, winless for the last month, pitched six strong innings for the victory in Cincinnati.

On Friday, the Giants got 17 hits to rout the Reds, 13-0, and end the streak. But the Braves also won, @ Ron Gant's run-scoring double in the 10th, giving Atlanta a 2-1 victory over New York.

Phillies 5, Expos 4: In Montreal, Tommy Greene scattered five hits in seven-plus innings, retiring 15 consecutive batters from the third until the eighth, and John Kruk drove in two runs as Philadelphia won for just the ninth time in 25 games.

Montreal, which lost for just the fourth time in 25 games, dropped five games behind the Phillies in the NL East. On Friday, the Expos had moved within four with an 8-7 victory as Delino DeShields hit a sacrifice fly in the 12th.

On Saturday, outfielder Moises Alou of the Expos underwent successful surgery to repair damaged ligaments in his left ankle.

Cubs 6, Marlins 5: Sammy Sosa's run-scoring single in the seventh inning broke a tie as Chicago rallied to beat visiting Florida despite two homers by Orestes Destrade.

Astros 4, Padres 2: Houston's Doug Drabek pitched a six-hitter against visiting San Diego and matched a career-high with 11 strikeouts in his seventh complete game this season.

Cardinals & Pirates 1: Rhee Cormier pitched a six-hitter for his first complete game third year, and Todd Zelle went 3-for-4 with a two-run homer as the Cardinals routed Pittsburgh in St. Louis.

Dodgers 9, Rockies 8: In Denver, Pedro Astacio pitched his second straight shutout as Los Angeles ended Colorado's five-game winning streak.

NFL ROUNDUP

the winning 10-play, 83-yard drive with a 12-yard pass to Williams. He connected with Williams for 24 and 19 yards before the receiver leaped just inside the end-zone line to catch the game-winner.

Trailing 21-10, the Eagles closed the gap when Eric Allen intercepted Cary Conklin's pass and returned it 20 yards for a touchdown in the third period. But the Redskins, helped by a 42-yard pass interference call and a 20-yard pass from Conklin to Tim McGee, moved to the Philadelphia 22 before Chip Lohmiller kicked a 38-yard field goal 12 seconds into the final period.

Cunningham directed a 10-play, 80-yard drive capped by his second TD pass of the day to Williams, a 9-yarder with 8:23 remaining that tied it at 24.

Just 22 seconds later, Reggie Brooks burst through the left side and raced 85 yards to send the Redskins ahead.

The shootout continued as Cunningham threw 55 yards to Herschel Walker and scrambled for 14. The drive stalled at the Redskins' 21, where Matt Bahr kicked a 42-yard field goal.

Saints 14, Lions 3: Renaldo Turnbull and Ricky Jackson helped the Saints stop Detroit in New Orleans for their third straight victory. It was the first victory in which the offense didn't carry the load, although rookie Derek Brown rushed for 121 yards on 25 carries.

Turnbull had three sacks, two of which forced fumbles that Jackson recovered deep in Detroit territory. The first led to the second of Wade Wilson's touchdown passes, a 12-yarder to Eric Martin. The second

one of O'Donnell's oft-criticized wide receivers, scored twice on a 9-yard reception and a 38-yard reverse as coordinator Ron Erhardt opened up Pittsburgh's previously ineffective offense.

The Steelers (1-2), who had just one touchdown in their first two games, broke out of their offensive slump as Cincinnati continued its slump, falling to 0-3 and losing its fifth in a row to Pittsburgh.

Seahawks 17, Patriots 14: In

one of O'Donnell's oft-criticized wide receivers, scored twice on a 9-yard reception and a 38-yard reverse as coordinator Ron Erhardt opened up Pittsburgh's previously ineffective offense.

Forbore, Massachusetts, Chris Warren ran for 174 yards and a touchdown as the Seahawks held off a 14-point Patriot rally in the final quarter.

New England just missed a tying field goal with 30 seconds remaining as Scott Sison's 54-yard attempt bounced off the crossbar.

Seattle's Rick Mirer, meanwhile, won his rookie quarterback duel with New England's Drew Bledsoe. Mirer, chosen No. 2 in this spring's

draft, completed 12-of-16 passes for 117 yards and his first NFL touchdown before being knocked out with an eye injury late in the third quarter. Stan Gelbaugh finished for the Seahawks.

Florida St. Shuts Down North Carolina

The Associated Press
Before the season, top-ranked Florida State's defense was considered a question mark on a team replete with talent. Now, the Seminoles are so dominating, they can give up seven points in one half and feel like they did a poor job.

In the visiting Seminoles' 33-7 victory Saturday over No. 13 North Carolina, they led by only 10-7 at halftime.

But after the Tar Heels "gained" minus 8 yards to open the third period on three straight running losses, Charlie Ward threw a 33-yard scoring pass and the Seminoles were on their way to a fourth straight triumph.

"This game here showed our character," said Ward, who completed 27 of 41 passes for 303 yards. Mike Thomas entered at quarterback on the next series after Jason Staniock bruised his shoulder, but proceeded to throw a pair of interceptions — one of which led to a field goal and another a 49-yard TD return by linebacker Derrick Brooks.

Brooks, a junior linebacker, now has three touchdowns — one more than the Seminoles have surrendered this year.

The Seminoles committed three turnovers, yielded several big plays on defense and were matched speed-for-speed by North Carolina in the first 30 minutes. Ward even threw his first interception of the season on the first series and Florida State fell behind for the first time since last October.

No. 2 Alabama 43, Arkansas 3: The Crimson Tide (3-0 overall, 2-0 SEC) rolled to its 26th straight victory, breaking the game open with two touchdowns in the final 21 seconds of the first quarter in Tuscaloosa, Alabama. Arkansas (2-1, 1-1) was handed its worst loss since a 51-7 defeat to Miami in 1987.

No. 3 Miami 21, Virginia Tech 2: Frank Costa threw for 265 yards and Miami (2-0, 2-0 Big East) forced five turnovers in shutting down visiting Virginia Tech (2-1, 1-1), which gained 675 yards a week ago.

No. 4 Notre Dame 36, Michigan St. 14: The Fighting Irish (3-0) suffered no letdown a week after surprising Michigan. In South Bend, Indiana, Notre Dame rushed for a season-best 269 yards and limited the Spartans (1-1) to 251 yards. The Notre Dame trailed 7-0 early in the game, but then scored 36 unanswered points.

No. 6 Syracuse 21, Texas 21: Pat O'Neill of Syracuse (2-0-1) was right on a 33-yard field goal attempt with eight seconds remaining in Austin, Texas. He also was wide right on a 47-yard try with 2:50 remaining. The Longhorns (0-2-0) failed on two desperation pass attempts in the final seconds.

No. 20 Stanford 41, Colorado 37:

Tony Cline caught a disputed 5-yard TD pass from Steve Stenson with eight seconds left, completing the Cardinal's comeback from a 10-point deficit in the final five minutes in Stanford, California.

COLLEGE FOOTBALL
Stenson finished with five TD passes, as did Kordell Stewart of the Buffaloes (2-1). Stanford is also 2-1.

No. 9 Florida 41, No. 5 Tennessee 34: The Gators (3-0, 2-0 SEC) extended the nation's second-longest home winning streak to a school-record 20 games and handed Philip Fulmer his first loss as coach of Tennessee (2-1, 1-1). Last-minute starter Danny Wuerffel threw for 231 yards and three touchdowns, helping to negate a 355-yard, five-TD performance by Heath Shuler of the Volunteers.

No. 8 Nebraska 14, UCLA 13: In Pasadena, California, the Corn-

huskers (3-0) didn't run up the points as in the first two games — they were averaging 63 points — but they came from behind to nip the Bruins (0-2).

No. 11 Ohio State 63, Pittsburgh 28: In Pittsburgh, it was another humiliating loss for Coach Johnny Majors, whose Panthers (1-2) allowed 63 points last week. Ohio State (3-0) built a 35-0 lead early in the second quarter and then let its reserves do most of the work.

No. 14 Penn State 51, Iowa 0: Joe Paterno notched his 25th career victory in Penn State's first road game as a member of the Big Ten. The Nittany Lions (3-0, 2-0) sacked Paul Burmeister nine times and intercepted three of his passes, leading to a field goal and two touchdowns. Iowa dropped to 2-1.

No. 5, Arizona 16, Illinois 14: Linebacker Steve Harris and lineman Jim Hoffman each returned fumbles for TDs in Champaign,

Illinois. The Wildcats (3-0), with the nation's top-ranked defense, scored both touchdowns after Illinois (0-2) quarterback Scott Weaver fumbled when sacked.

No. 16 Texas A&M 73, Missouri 6: In College Station, Texas, Rodney Thomas and Leeland McElroy each rushed for three TDs and Corey Pullig completed 15 of 22 passes for 186 yards and two touchdowns as the Aggies (2-1) bounced down from a loss to Oklahoma.

No. 19 BYU 27, Colorado St. 22: Jamal Willis ran for two touchdowns and John Walsh was 29-of-45 for 332 yards for BYU (3-0, 3-0 WAC) in Fort Collins, Colorado. The Buffaloes (1-2, 1-1) were hurt by mistakes by their special teams.

No. 21 California 58, Temple 0: The Golden Bears (3-0) dominated every phase of the game, rolling up 430 yards of offense and holding Temple (1-1) to 99 in Philadelphia. Cal scored four touchdowns in a

span of 4:38 of the first quarter.

Northwestern 22, No. 22 Boston College 21: In Evanston, Illinois, Len Williams threw an 8-yard touchdown pass to Lee Gissendancer with 4:28 to play and Dennis Lundy ran for the 2-point conversion for the Wildcats (1-1). Boston College (0-2) had a chance to win, but a 40-yard field goal attempt by David Gordon went wide right with 1:07 remaining.

Louisville 35, No. 23 Arizona State 17: In Louisville, Kentucky, Jeff Brotin threw for two touchdowns, ran for one and passed for a career-high 331 yards to give Louisville (3-0) its best start since 1972.

No. 24 Wisconsin 28, Iowa State 7: The Badgers (3-0) played to their first sellout crowd (77,745) since 1985 and held the Cyclones (1-2) scoreless until the final play of the game. Brent Moss scored three touchdowns and gained 104 yards on 21 carries.

Mansell Triumphs To Take Indy Title

Compiled by Our Staff From Dispatches
NAZARETH, Pennsylvania — Nigel Mansell of Britain on Sunday became the third man to win both an IndyCar and a Formula One title, passing Paul Tracy on the 47th lap and running away to a dominating victory in the Bosch Spark Plug Grand Prix.

Scott Goodyear finished second, nearly a full lap back, while Tracy finished third and Robby Gordon fourth.

Mansell, 40, joined Mario Andretti and Emerson Fittipaldi as those who have conquered both premier open-wheeled, open-cockpit racing series. Mansell is the first to do so in consecutive years and the first IndyCar rookie to win the title, passing Paul Tracy on the 47th lap and running away to a dominating victory in the Bosch Spark Plug Grand Prix.

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"I dedicate the championship to the boys of the Newman-Hass team," Mansell said, wiping tears from his eyes. "The mechanics, they all did just an outstanding job all year long."

"It's a very emotional moment



Nigel Mansell, in rainy Nazareth, Pennsylvania, said he had signed a new contract to drive for the Newman-Hass Racing team.

for me," he said just before hugging the team's owner, Carl Haas.

"You can see the friendship in the family of the team," he added.

"I just love racing and I like this kind of racing," Mansell said. "It's just pure racing."

Fittipaldi had the lead for the first 11 laps but handling difficulties created problems after his initial success.

"Nigel drove a beautiful race," Fittipaldi said. "We were able to take the lead but then we started losing balance, the track changed."

The 200-lap race on the 1-mile (1.6-kilometer) oval was completed

without any yellow flags, but Fittipaldi said it didn't matter.

"Just the way both cars were balanced, it would have been difficult to catch him," he said, referring to Mansell.

Starting from pole position, Mansell allowed himself to be passed at the start by Fittipaldi and Tracy, his teammate.

But he gradually settled into a groove and began to reel in the leaders over the opening 40 laps before brilliantly passing them under braking.

Mansell's win capped a special weekend for him and his team as he had agreed a new two-year contract on Friday to stay with them.

The actor Paul Newman, the team's owner, said: "It has been such an exciting year for us all and I take my hat off to Nigel. I can hardly believe what he has done."

"Now we have got him for another two years," he added. "I know we have some awful good racing ahead of us."

Mansell not only won, but he also led most laps on his way to his fifth victory of the year and his

astonishing third in four outings on the daunting oval.

Victory lifted him beyond all his championship rivals with 191 points. Fittipaldi has 166, with Tracy third on 136.

Haas, the Chicago entrepreneur who directs the race team, said Mansell had agreed to a "long-term contract, extending through at least the 1995 Indy car season."

No details were announced, but it was learned that the contract calls for an annual retainer of \$5 million plus a percentage of prize money and incentives through at least the first two years.

(AP, Reuters)

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From Baron of Gore to Cultural Hero

By Joan Dupont

TORONTO — Tell David Cronenberg that "M. Butterfly" is perhaps his most disturbing movie to date and watch his eyes gleam behind their black-rimmed glasses. "Oh good," he says. Disturbance is his domain. The prodigious maker of Canada's first horror movies — "Shivers," "Scanners," "Videodrome," "The Brood" — he used to be known as the Baron of Gore in his town, offending the community with violent explorations of transmutation and transsexuality.

Now the cult director who made women into mutants, men into flies and babies into killer hoods has become a cultural hero in his hometown. "The Strange Objects of David Cronenberg's Desire," an exhibition of drawings, objects, and creatures from his films is at the Royal Ontario Museum, and the Festival of Festivals opened with a gala presentation of "M. Butterfly."

If you ask Cronenberg what was personal to him in the story of a French diplomat who falls in love with a Chinese opera diva who turns out to be a man, he says, with a poker face, "I am a Chinese transvestite. Well no, it's not autobiographical in the strict sense, but when you make movies, you become all the characters and you end up having empathy for people with whom you might not want to have dinner. When I read David Henry Hwang's screenplay, I felt it was thematically connected with my work; that's why I wanted to do it."

Adapted from Hwang's play, which was based on a real story, "M. Butterfly" may seem an uncharacteristic choice for a director who, although he has moved from the horror genre to a more high-tech tooling of his craft and effects, has mostly worked from his own material and has never filmed outside Canada. It's a Hollywood production, shot on location in China. Although there are no special effects and just a drop of blood at the end, it is undoubtedly a Cronenberg film: ominous, claustrophobic, with a shadowy Orwellian ambience.

"After 'Dead Ringers' and 'Naked Lunch,' each of which took three years to make, I wanted to jump off the bridge a little sooner," he says. "I asked my agent to see what was around Hollywood that was a little fringed. He met David Geffen, who was producing 'M. Butterfly' for Warner Brothers. 'I convinced him I should do the film.' Peter Weir and Stephen Frear had been considered and Cronenberg says he's sure he wasn't even on the list. "For me," he adds, "M. Butterfly" is a mainstream movie; for Warner Brothers, it's a low budget risky art film."

Filming in the back streets of Beijing with Jeremy Irons, who plays the duped diplomat, and John Lone, who plays the diva, proved an inventive process every inch of the way, from getting permits to searching close-up cinematic solutions to scenes that were merely suggested on stage.

"This is not a politically correct film for the Chinese because they say there are no spies and no homosexuals in China, and this movie is about a homosexual spy, so the official attitude was, don't tell us what it's about and we don't have to say no — which is, of course, the theme of this movie."

Cronenberg, an old soldier in battles with censors and moral majority advocates, is quick to point out that China has no monopoly on puritanism. "The play was banned because it was about a homosexual spy, which makes you think that it's one thing to think about these things in New York City and another to think about them in Georgia."

Working with Hwang in China, they made changes in



John Lone and Jeremy Irons in a scene from "M. Butterfly."

the script. "Because David knew only Hong Kong and was brought up as a Westerner, he had misconceptions about China that he discovered along the way. From the start, he was willing to play, ready to do something different from theater. John Lone is a child of the Peking Opera because he had no parents — which has affected his whole life of course — from age 10, the opera became his home, his introduction to the world of art and artifice. He had never played a woman's role and it was scary for him to return to Beijing and perform as a star."

"The Chinese say that there is no such thing as a Chinese spy; it is your duty to inform, especially anything to do with foreigners. So John's character is not a professional spy; it's more that she is attracted to this man who reacts to her as a woman, she is flattered — she's a performer and he's buying her performance. Once she's caught in this forbidden relationship with the foreigner, she somehow falls in love, if not with the real man, with her version of him. So it's artifice upon artifice."

One disturbing level of this relationship is the inference that all relationships are like that. "It's my contention that we invent everything; in the movie, you see it happening before your eyes. These people are writing the opera of their lives, creating their version of China and inventing their own sexuality, which is not most people's sexuality. It's a strange love story, but in a way, they're the ideal couple."

"If people make up their lives and make up their love stories, what is real?"

"I think that active will and creative invention is what's real, and I think people want there to be something that is more of an absolute — they want to be able to say, this is

normal, this is real. David's play was banned in Georgia because they said we will not support alternate lifestyles with public funding; there you have people desperate for an absolute. But there is no absolute."

Cronenberg feels that his own fascination with alternate lifestyles came to him growing up in Toronto in the '50s. "My sense that all is not as it seems was originally presented to me as a kid. The times in Toronto were heavy with a sort of Scottish Presbyterian ethos. That's why rock 'n' roll was so important; it told us about a whole other way of life. We didn't have black musicians in Toronto, we didn't have black anything. So that's what my fascination comes from. I've played with these existential themes before in the political arena, in the scientific and medical arenas. People probably want me to say, I'm really gay and I haven't come out yet; I wish it were that simple."

The objects of David Cronenberg's desire have always been strange — "teapots" that transform matter, "Mugwumps" that spout horns. Smith-Corona typewriters that melt down — and he has long had a flirtation with a rare species of hermaphroditic butterfly. Just as strange, perhaps, is that this passionate observer of metamorphosis and the mind-body split, a director who has always been avant-garde, should accidentally collide with a mega-trend. The shooting of "M. Butterfly" coincided with that of Chen Kaige's "Farewell to My Concubine," another bizarre love story, and comparisons with Neil Jordan's "The Crying Game" are inevitable.

Joan Dupont is a Paris-based writer specializing in the arts.

LANGUAGE

The Linguacclip Speedup Syndrome

By William Safire

WASHINGTON — It began with initials, that deliberate shortening of names and phrases by way of initial caps (a clip of "initial capital letters"; there is no clipping penalty in professional writing). Government agencies known by their initials were attacked in the 1936 Al Landon campaign: "Up With All Down With the Alphabet" was a slogan that went nowhere, as FDR — whose initials are better known than his whole name — swamped the GOP, which most new Republicans don't know stands for "Grand Old Party."

To the question "What is PMS?" the answer is sometimes "Why the hell are you asking me that!" but that question is more coolly answered, "Premenstrual syndrome," a periodic manifestation of irritability or sensitivity; many users of the initials have half-forgotten the full term. Similarly, a generation ago, some complained of "PCR," or post-social remorse, but now nobody remembers the initials or the phrase or even the feeling.

Troubled by PDA? Nancy Evans, insightful editor in chief of the new magazine Family Life, features a column of Family Facts that includes this caution to unrestrained buggers: "The worst thing parents can do to embarrass 11-year-olds is to engage in PDA's," which the magazine usefully defines as "public displays of affection."

Whether initials are used to save space or to exhibit insiderhood, they soon gain a life, or meaning, of their own. Consider how the word cow, which is just a few letters on a page, comes to be treated as the referent — the mooing, often discontented animal itself. But just as the word is not the referent, as Alfred Korzybski taught semantics, the initials are not the phrase.

The representative is not the thing. If the FBI believes in a defector code-named Fedora and the CIA credits Top Hat, those code names may reflect the differences that the letter I stands for — investigation in the first instance, intelligence in the CIA's case. The initials "FBI" have connotations and resonances that the full name does not have; an arresting agent could get himself

killed by shouting the full "Federal Bureau of Investigation — freeze!"

Condensation can lead to confusion when initials form an acronym, or pronounceable word. Members of the Squad Squad, shock troops of RARE — Readers Against Rododant Error — have complained about the "VAT tax." (Mostly they fulminate about safe haven — there are no unsafe havens — but the "Value Added Tax" comes in second.) "How much is the VAT?" can inquire about the tax on an item or the price of a container in which to hold missionaries.

Another cause of accelerated language shortening, or linguacclip, is highway signage. We no longer slowly lootle along the road reading the series of rhyming Burma-Shave signs (Whatever happened to Burma-Shave? For that matter, whatever happened to Burma?) Now we zip along at a minimum of 55 mph (those initials stand for "miles per hour" but for some obscure reason are not capitalized) and have to snatch our information from signs at a glance. Ever try to read a roadside historical marker? Driving into Martinsburg, West Virginia, I start to read a roadside sign about the home of "Belle Boyd, Confederate Spy," whose father had something to do with the founding of the place, originally Boydsville, but I never get to the next line because, if I slow down, the guy behind me will plow me into the Blue Ridge Factory Outlet.

As a result, we have linguacclipped highway messages. I have two inflatable dummies set up in the back seat when the "HOV lane" is activated. That's because I have independently learned that HOV stands for "high occupancy vehicle," and a lane is reserved for these civic-minded, traffic-reducing car poolers.

"While driving to Baltimore for a meeting of the American Society of Neurophysiology, Monitoring," writes Dr. Alan D. Legatt of the Montefiore Medical Center in the Bronx, "I passed a road sign with the message 'No HAZMATS on the approach to a bridge.' I briefly wondered whether this was a bar-banger of a new type of ethnic cleansing, but then I realized that

hazmats was an abbreviation for "hazardous materials."

Having returned from ASNMM — we all know what that outfit is — Dr. Legatt observes: "Many abbreviations have been used to fit messages onto road signs with as few characters as possible, so that the letters will be large and legible from a distance. Some of these are less comprehensible than others, and the results can be humorous or misleading."

That is surely a problem with highway signs. Linguacclip irregulars are invited to send samples to Linguacclip, NYT Washington Bureau, 1627 Eye St. N.W., Washington, D.C. 20006. Signs on approaches to bridges have always been disconcerting, shortened or not; I recall a despairing sign on the Triborough Bridge in New York in the '50s: "In event of nuclear attack, drive off bridge," which not every driver interpreted as meaning "drive to the end of the bridge."

At least we linguacclippers communicate verbally, relying on the signs and sounds of the English language. We are not in the same league with the semioticians who have introduced global sign language to signs and universally understood icons to computer users.

No is no longer an answer; no is now a circle with a line through it, accompanied by a little picture of a truck, or a honking horn, or the symbol for whatever activity is proscribed.

I will now send this copy to my editor by modem. Lo! I am calling up a Windows menu. Lo! I am offered a screenful of little pictures, icons understandable to any child in any country. "File Manager" is a two-drawer file; the fax modem symbol is a rural mailbox. Words? Feh! Pictures are all. Speeded-up discourse is progress of a sort, but presents a danger: a people speaking in initials, and — silent as mice — pointing to things rather than using representational sounds.

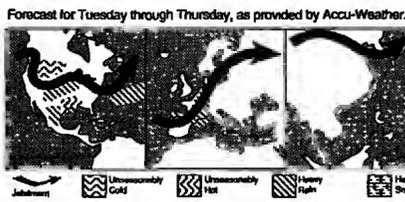
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WEATHER

Forecast for Tuesday through Thursday, as provided by Accu-Weather.

Table with weather forecasts for Europe, including High, Low, Wind, and Precipitation for various countries like Algeria, Armenia, Austria, etc.



North America: After hitting the Mexican coast, probably near Tampa Monday, heavy rains will spread into interior Mexico Tuesday. Some sunshine in Chicago Tuesday, then a chance for rain Wednesday and Thursday. Showers in New York City and Washington, D.C. Tuesday and perhaps

Table with weather forecasts for Middle East, including High, Low, Wind, and Precipitation for countries like Beirut, Cairo, Damascus, etc.

Asia: Showers weather is slated for the Atlantic rim from northwestern Spain to England, Belgium and Netherlands as well as Switzerland and eastern France will be warm with partial sun Tuesday followed by some drizzle at midweek. Sun will warm Italy Tuesday and Singapore.

Table with weather forecasts for Asia, including High, Low, Wind, and Precipitation for cities like Bangkok, Beijing, Hong Kong, etc.

Africa: After hitting the Atlantic coast, probably near Tampa Monday, heavy rains will spread into interior Mexico Tuesday. Some sunshine in Chicago Tuesday, then a chance for rain Wednesday and Thursday. Showers in New York City and Washington, D.C. Tuesday and perhaps

Table with weather forecasts for Latin America, including High, Low, Wind, and Precipitation for cities like Bogota, Buenos Aires, Caracas, etc.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to the puzzle from Sept. 17.

Word search puzzle with clues for 1-10 and 11-20. Includes a solution to the puzzle from Sept. 17.

"I wonder if the little guy had fun today?"



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Table of AT&T Access Numbers for various countries, including ANDORRA, ARMENIA, AUSTRIA, BAHRAIN, BELGIUM, BULGARIA, CAPE VERDE ISLANDS, CROATIA, CYPRUS, CZECH REP., DENMARK, EGYPT (CAIRO), FINLAND, FRANCE, GABON, GAMBIA, GERMANY, GHANA, GIBRALTAR, GREECE, HUNGARY, ICELAND, IRELAND, ISRAEL, ITALY, IVORY COAST, KENYA, KUWAIT, LIBANON (BEIRUT), LIBERIA, LIECHTENSTEIN, LITHUANIA, LUXEMBOURG, MALAYSIA, MALTA, MONACO, NETHERLANDS, NIGERIA, NORWAY, POLAND, PORTUGAL, ROMANIA, RUSSIA (MOSCOW), SAN MARINO, SAUDI ARABIA, SLOVAKIA, SPAIN, SWEDEN, SWITZERLAND, TURKEY, U.A.R. EMIRATES, UK, ZAMBIA, ZIMBABWE.

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